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SAN LUIS OBISPO COUNTY

DEPARTMENT OF PLANNING AND BUILDING

Promoting the wise use of land – Helping to build great communities

DATE: AUGUST 23, 2012
TO: PLANNING COMMISSION
FROM: DANA LILLEY, SUPERVISING PLANNER
VIA: CHUCK STEVENSON, AICP, DIVISION MANAGER LONG RANGE PLANNING *CHS*
SUBJECT: HEARING TO CONSIDER THE REVISED ECONOMIC ELEMENT OF THE GENERAL PLAN

Recommendation

Recommend to the Board of Supervisors:

1. That this project is covered by the general rule that the California Environmental Quality Act (CEQA) applies only to projects which have the potential for causing a significant effect on the environment. It can be seen with certainty that there is no possibility that this project may have a significant effect on the environment; therefore, the activity is not subject to CEQA. [Reference: State CEQA Guidelines sec. 15061(b)(3), General Rule Exemption]
2. Approval of the general plan amendment that repeals the existing Economic Element and adopts the Economic Element of the County General Plan as shown in Exhibit LRP 2011-00014:A.

Background

While not required under state law, San Luis Obispo County adopted the Economic Element as part of its General Plan in 1999. The element, as currently adopted, contains 96 programs, many of which were intended for implementation by organizations other than the County, including the Economic Vitality Corporation (EVC) and other agencies. Much of the information contained in the element is now outdated, including many of the 96 programs. In addition, many of the programs were very specific and this did not provide sufficient flexibility to address changing economic conditions, challenges, and organizations. Lastly, mechanisms for monitoring implementation over time were not included and as a result, it is unclear whether those programs were fully implemented.

The San Luis Obispo County Clusters of Opportunity Economic Strategy

In 2010 the Economic Vitality Corporation developed an economic strategic plan called the *San Luis Obispo County Clusters of Opportunity Economic Strategy*. The first phase of that effort consisted of an economic analysis of the county by the consulting firm, Collaborative Economics. The analysis included identification of the "industry clusters" which created about ninety percent of new jobs in the county over that past fifteen years. Business leaders then

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convened in cluster groups to discuss and evaluate the most promising opportunities for their industries to prosper in San Luis Obispo County. They identified a wide range of opportunities that could drive their prosperity in the years ahead, focusing on actions by the business leaders themselves.

The Economic Strategy reflects a growing national trend wherein citizens, and in this case business persons, take the initiative to identify and implement actions to improve economic vitality in their communities. Their actions may be in partnership with government, but they do not expect government to solve all problems for them. A term for such persons is "civic entrepreneur," or someone who acts in an entrepreneurial manner for civic goals. The EVC Economic Strategy was prepared by business leaders for implementation by business leaders. On June 7, 2011, in recognition of the innovative approach and extensive participation of the business community, the County Board of Supervisors enthusiastically endorsed the EVC's Economic Strategy.

The EVC continues to coordinate implementation of its Economic Strategy, hosting meetings of the industry clusters and taking on some of the implementation tasks. For example, the EVC has been working with County staff to develop an economic analysis program to provide information to the public and decision makers regarding possible economic benefits of development proposals.

How the hearing draft Economic Element was prepared

On June 7, 2011, the Board of Supervisors directed staff to prepare a work plan for updating and restructuring the Economic Element into a broad set of goals and policies. Subsequently, on September 6, 2011, the Board authorized processing of the Economic Element update with the understanding that the updated element would complement the EVC's Economic Strategy. Reasons for this approach can be summarized as follows:

- Retaining the Economic Element as part of the County General Plan demonstrates that economic factors are just as important to the County as environmental and social factors, which is consistent with the County mission statement.
- Updating the Economic Element as a broad set of goals and policies that complement the EVC Economic Strategy provides adaptability to be applied in a variety of circumstances, while avoiding the necessity of frequent updates to revise outdated information.
- Updating the Economic Element to complement the EVC Economic Strategy indirectly supports and encourages the business community to implement tasks it identified to improve economic conditions in the county.

The update started with a comprehensive review of economic elements and strategies from many cities and counties throughout California, including those from cities within the county, to ensure that the goals and policies included in the County's Economic Element cover relevant issues and are supportive of the Economic Strategy.

Next, the County invited representatives from the six clusters identified in the Economic Strategy to provide suggestions for revisions to the goals and policies in the Economic Element. The EVC assisted County staff by identifying cluster representatives willing to participate. This

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temporary (ad hoc) technical advisory group was invited to participate in two structured workshops. The workshops were conducted on January 13 and February 17, 2012. In addition to the cluster representatives, Supervisor Frank Mecham, Supervisor Adam Hill, Assistant County Administrative Officer Dan Buckshi, and representatives of the EVC participated. The County provided the participants a summary of proposed revisions, additions and deletions of specific policies in advance of the workshops. The ad hoc advisory group provided its recommendations and comments during the workshops and staff subsequently incorporated most of the recommendations into the public review draft.

Environmental Review

The updated Economic Element qualifies for a General Rule Exemption from the California Environmental Quality Act (CEQA). This is because the element contains only broad goals and policies which do not in themselves commit the County to approve any action that could have an effect on the environment. The circumstances under which the goals and/or policies of the updated Economic Element might be applied cannot be predicted now. Furthermore, any such actions that might have potential environmental impacts would themselves be subject to review under CEQA.

Staff Comments

The public review draft Economic Element was issued on April 30, 2012. The due date for public comments was June 15, 2012. Ten comment letters were submitted, a few of which included multiple recommendations for changes and comments. The Planning and Building Department incorporated many of the revisions requested as detailed in Exhibit D (responses to comments). The comment letters are included in Exhibit E.

Exhibit LRP2011-00014:A is the hearing draft Economic Element. Exhibit C details how the goals and policies of the existing Economic Element were changed to produce the hearing draft Economic Element. Generally, the four original broad goals were retained with only slight modifications, several policies were deleted and revised, and a handful of new policies were added. Overall, the goals and policies remain very similar to those of the 1999 Economic Element; however they have been further refined to complement the EVC Economic Strategy.

The Economic Element is organized intentionally to enable the reader to see the goals and policies without needing to read the economic analysis or excerpts of the EVC Economic Strategy first, which are included in Appendix A of the element. The Economic Element and Economic Strategy are intended to be complementary documents, but each is document is independent and stands alone.

Attachments

1. Exhibit LRP2011-00014:A -Proposed Economic Element
2. Exhibit B - Proposed General Rule Exemption from CEQA
3. Exhibit C - Comparison of existing and proposed goals and policies of the Economic Element
4. Exhibit D - Responses to comments on the public review draft Economic Element
5. Exhibit E: - Comment letters on the public review draft Economic Element

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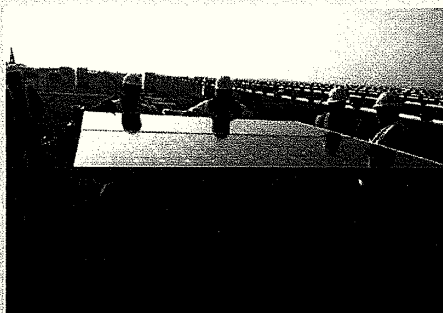
**Exhibit LRP2011-00014:A –
Hearing Draft Economic Element**

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Hearing Draft Economic Element

County of San Luis Obispo General Plan

Adopted
Amended



SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING

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COUNTY OF SAN LUIS OBISPO	TITLE PAGE
<p>BOARD OF SUPERVISORS</p> <p>Frank Mecham, District 1 Bruce Gibson, District 2 Adam Hill, District 3 Paul Texeira, District 4 James R. Patterson, District 5</p> <p>PLANNING COMMISSION</p> <p>Jim Irving, District 1 Ken Topping, District 2 Carlyn Christianson, District 3 Tim Murphy, District 4 Dan O'Grady, District 5</p> <p>DEPARTMENT OF PLANNING AND BUILDING</p> <p>Jason H. Giffen, Director Kami Griffin, Assistant Director Chuck Stevenson, AICP, Division Manager, Long Range Planning Dana Lilley, Supervising Planner, Project Manager Jennifer Jimenez, Mapping/Graphic System Specialist</p> <p style="text-align: center;">Originally Adopted: October 19, 1999</p> <p style="text-align: center;">Amended: By approval of Dalidio Ranch Initiative Measure November 2006 Repealed and replaced _____ 2012 Resolution No. _____</p>	<div data-bbox="1031 1861 1329 1906" data-label="Page-Footer">Economic Element</div>

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CHAPTER 1: INTRODUCTION

Economic vitality is critical to sustaining a vital community and high quality of life, driving a dynamic cycle that produces revenues for public services and amenities, jobs for residents, projects and services for the local population and housing for the workforce.

The Economic Element is a document containing goals and policies that will guide actions the County needs to take to assure a vital economy and with it, a continuing high quality of life. This element focuses on:

- establishing a commitment to economic vitality
- setting priorities for economic development
- identifying strategies for retaining existing businesses and attracting new ones
- expanding diverse employment opportunities for current and future workers
- supporting a countywide economic strategy through establishment of complementary goals and policies

GENERAL PLAN ELEMENTS?

California law requires every city and county in the state to prepare and adopt a comprehensive long-range General Plan for the physical development of the jurisdiction. Each General Plan must include seven mandatory elements: land use, circulation, housing, conservation, open space, safety and noise. General Plans may include other option elements as desired.

CHAPTER 1

Our Mission:

The County's elected representatives and employees are committed to serve the community with pride to enhance the economic, environmental and social quality of life in San Luis Obispo County.

Organizational Values:

Integrity

Collaboration

Professionalism

Accountability

Responsiveness



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<p>The County's Vision <i>A place that is safe, healthy, livable, prosperous, and well governed.</i></p> <p>A Safe Community <i>The County will strive to create a community where all people -- adults and children alike -- have a sense of security and well being, crime is controlled, fire and rescue response is timely, and roads are safe.</i></p> <p>A Healthy Community <i>The County will strive to ensure all people in our community enjoy healthy, successful, and productive lives, and have access to the basic necessities.</i></p> <p>A Livable Community <i>The County will strive to keep our community a good place to live by carefully managing growth, protecting our natural resources, promoting life long learning, and creating an environment that encourages respect for all people.</i></p> <p>A Prosperous Community <i>The County will strive to keep our economy strong and viable and assure that all share in this economic prosperity.</i></p> <p>A Well Governed Community <i>The County will provide high quality "results oriented" services that are responsive to community desires.</i></p>	<p>WHAT IS THE ECONOMIC ELEMENT?</p> <p>The Economic Element is an optional element of the San Luis Obispo County General Plan. Its primary purpose is to provide guidance for actions by the County to foster long term economic vitality throughout San Luis Obispo County. The goals of the Economic Element recognize the importance of economic activity in enabling the residents of San Luis Obispo to find employment, grow locally operated businesses and pursue the lifestyles that they value. The policies for each goal guide decision making and actions that can be taken to make progress toward achieving those goals. As part of the San Luis Obispo County General Plan, the Economic Element carries equal weight with the other general plan elements. Thus, amendments to other elements of the General Plan, amendments to County ordinances and approvals of development projects must be consistent with the goals and/or policies of the Economic Element.</p> <p>ELEMENT HISTORY AND PREPARATION</p> <p>The Board of Supervisors directed the Planning and Building Department to update the Economic Element, first adopted in 1999, on September 6, 2011 with the intended objective being the preparation of a new Economic Element consisting of goals and policies that would complement a countywide economic strategy, outlined below.</p> <p>Formulation of the goals and policies in the Economic Element drew on an enormous amount of work that had previously been done over many years to evaluate the economy of San Luis Obispo County and to describe goals for the future economy. This includes the information contained in the 1999 Economic Element that incorporated an approach for identifying key sectors of the economy that is still in use today: "clusters" of related industries. The 1999 Economic Element also reflected the results of an</p>
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<p>analysis of the county's economic strengths, weaknesses, opportunities and threats ("SWOT" analysis). The 1999 Economic Element included a comprehensive set of four broad goals with 29 policies and 94 programs.</p> <p>More recently, in 2010, the nonprofit Economic Vitality Corporation of San Luis Obispo County (EVC) initiated work to create a county-wide economic strategy. The EVC obtained funding from the County and the business community to first analyze the local economy and then prepare an economic strategy. The EVC also agreed to play an essential role of coordinating efforts to implement the strategy. For the first time, more than 100 of the county's business leaders worked together - and with partners in government, education, and community sectors - to implement a shared agenda for economic vitality and community well-being. The resulting "San Luis Obispo County Clusters of Opportunity Economic Strategy" (the Economic Strategy) is an economic strategy created and implemented by local business leaders. The County and cities will have opportunities to help those business leaders succeed in some of the initiatives of the economic strategy.</p> <p>On June 7, 2011, the Board of Supervisors adopted a resolution "enthusiastically endorsing" the Economic Strategy. County staff then began the process of updating the 1999 Economic Element.</p> <p>The intent of this update was to create an element containing broad goals and policies consistent with and supportive of the Economic Strategy. The update started with a comprehensive review of economic elements and strategies from many cities and counties throughout California, including those from cities within the County, to ensure that the goals and policies included in the County's Economic Element cover relevant issues and are supportive of the Economic Strategy.</p> <p>Next, the County invited representatives from the six clusters identified in the Economic Strategy to provide suggestions for revisions to the goals and policies in the Economic Element. As a result, the four original broad goals were retained with only slight modifications, several policies were deleted and revised, and a handful of new policies were added. Overall, the goals and</p>	<p>The Six "Clusters of Opportunity"</p> <p>Building Design and Construction: <i>To create head of household jobs and housing designed for personal enjoyment, create a sense of place and demonstrate efficient use of resources.</i></p> <p>Green Energy: <i>To establish SLO County as a world class leader in green energy through implementation of a diversified portfolio of key initiatives, which includes energy efficiency, distributed generation systems, and utility scale generation.</i></p> <p>Health Services: <i>To establish SLO County as a center for wellness excellence by expanding the range of health care facilities, new technologies and services, enabling residents to "age in place" without need to travel outside the area.</i></p> <p>Knowledge and Innovation: <i>To achieve recognition of SLO County's cradle of innovation and technology infrastructure which offers a superior set of resources available to plant, grow and sustain each business with a competitive advantage.</i></p> <p>Specialized Manufacturing: <i>To leverage the strength and quality of SLO County's Specialized Manufacturing Alliance to grow business, collaborate on projects, share and develop knowledge, and make a positive impact on our region.</i></p> <p>Uniquely SLO County: <i>To position, brand and promote SLO County as a choice destination for regional, national, and global visitors.</i></p>
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	<p>policies remain very similar to those of the 1999 Economic Element; however they have been further refined to complement the Economic Strategy.</p> <p>The Economic Element is organized intentionally to enable the reader to see the goals and policies without needing to read the economic analysis and excerpts of the Economic Strategy first, which are included in Appendix A. The Economic Element and Economic Strategy are intended to be complementary documents, but each document is independent and stands alone.</p> <p>BASIC BUILDING BLOCKS OF THE PLAN</p> <p>The goals, policies, and implementation strategies in this Element are used to evaluate proposed development projects and general plan and ordinance amendments. The following definitions apply.</p> <p><i>Goal:</i> An expression of community values and desired outcomes, an ideal future result or condition, based on public health, safety, or general welfare.</p> <p><i>Policy:</i> A statement derived from a goal that represents the County's adopted position and guides decision-making toward the goal. The text box under each policy provides examples of possible ways to apply the policy, not to limit its application to the examples shown.</p>
	<p>GOALS OF THE ECONOMIC ELEMENT</p> <p>The intent of the following goals are to establish a commitment to economic vitality and economic development:</p>

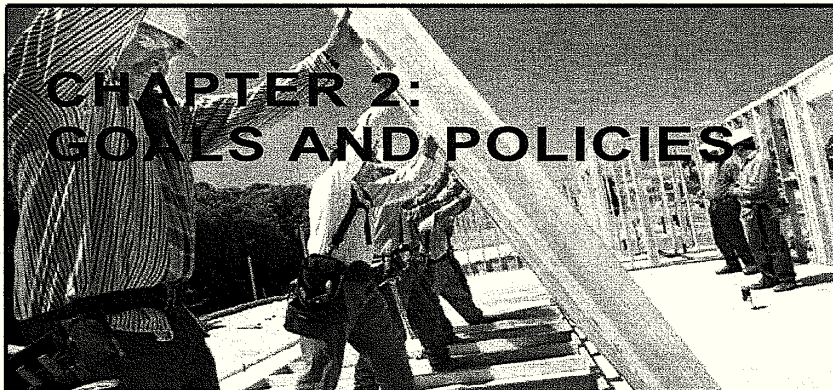
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<p>Goal EE 1: Promote a strong and viable local economy by pursuing policies that balance economic, environmental, and social needs of the county.</p> <p>Environmental and social factors are important, but economic vitality is equally important contributing to the county's quality of life.</p> <p>Goal EE 2: Retain and enhance a diverse economy.</p> <p>Economic development will be most beneficial to San Luis Obispo County through diversified industries and workers with a range of employment opportunities to avoid risks associated with business cycles.</p> <p>Goal EE 3: Provide for strategically-located opportunities for economic development.</p> <p>Economic development, except for rural activities such as agriculture and outdoor recreation, should be located in or near existing cities or unincorporated communities (urban reserves and villages) and areas approved as new urban reserves and villages in the County Land Use Element, to facilitate access to existing infrastructure and economic support systems as well as protect the natural environment of rural areas.</p> <p>Goal EE 4: Provide support for economic development in San Luis Obispo County.</p> <p>While the designation of sites for economic development is an important component of building a regionally vital economy, other types of support are necessary too. Examples of supports include, but are not limited to permit processing, access to financing, adequate infrastructure, education and training of workers and future workers and enhanced community awareness.</p>	<p>Economic Element 1-5</p>

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CHAPTER 2: GOALS AND POLICIES

CHAPTER 2

The intent of the following goals and policies is to establish a commitment to economic vitality, set priorities for types and locations of economic development and identify strategies for retaining existing businesses and attracting new ones.

GOAL EE 1: PROMOTE A STRONG AND VIABLE LOCAL ECONOMY BY PURSUING POLICIES THAT BALANCE ECONOMIC, ENVIRONMENTAL, AND SOCIAL NEEDS OF THE COUNTY.

POLICIES EE 1.1 TO 1.8

Policy EE 1.1:

Encourage economic activities that promote sustainable economic vitality.

In the context of this Economic Element, the term "sustainable economic vitality" is defined as follows:

A region is experiencing "sustainable economic vitality" if its economic activities are vigorous, growing and are able to remain vigorous and growing well into the future because the factors necessary for those economic activities will not diminish. Many factors combine to support such long term economic vitality and they include, but are not limited to, access to capital, a suitably trained workforce, housing for the workforce, infrastructure (water, sewer, transportation, etc), and a diverse and ample collection of quality of life amenities that attract highly qualified and talented persons.

Contrast with "sustainable development"

There are many definitions of "sustainable development," but they generally suggest that development is sustainable if it does not compromise the ability of future generations of people to meet their needs. They often focus on intergenerational equity and the capability of the environmental systems and resources to enable future people to survive and/or thrive.

See also: "What is Sustainable Development," by Robert W. Kates, Thomas m. Parris, and Anthony A. Leiserwitz, April 2005 Issue of Environment: Science and Policy for Sustainable Development, Vol 47, Number 3, pages 8-21

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CHAPTER 2	GOALS AND POLICIES
<p>Opportunity for Broader Participation</p> <p>The Economic Strategy has created a unique opportunity to bring business owners, who may otherwise have been only one-time users of the land use process, into the broader public, private and non-profit dialogue of what it takes to create a diverse economy. Greater participation and involvement from citizens and all sectors, can lead to a better understanding of the issues and foster balanced and informed decisions.</p>	<p>Policy EE 1.2:</p> <p>Maintain and enhance the quality of life for county residents by pursuing economic development activities.</p> <div data-bbox="574 611 1254 842" style="border: 1px solid black; padding: 5px;"> <p>While it is important to protect the environmental features (whether natural or working landscapes) that make San Luis Obispo County a desirable place to live, it is equally important to nurture a strong local economy to provide well-paying jobs for county residents housing for the workforce and public revenue to support needed local public services.</p> </div> <p>Policy EE 1.3:</p> <p>Balance the capacity for growth with the efficient use or reuse of available resources (energy, land, water, infrastructure).</p> <div data-bbox="574 1037 1264 1393" style="border: 1px solid black; padding: 5px;"> <p>The amount of all types of potential new development envisioned in the Land Use Element should not exceed the amount of development that can be supported within the capacities of available resources, especially water. By the same token, the capacities of resources and infrastructure to support new development can and should be enhanced through efficiency, design features and potential recycling and conservation programs. Finally, resource capacity is not static and will change over time as resources are consumed and as new resources are made available.</p> </div> <p>Policy EE 1.4:</p> <p>Work closely with federal, state, regional, and local agencies and economic and business organizations to achieve common economic development goals.</p> <div data-bbox="574 1628 1295 1783" style="border: 1px solid black; padding: 5px;"> <p>Including economic and business organizations in regional collaboration on economic development goals, policies and implementation will enable priorities of mutual interest to move forward.</p> </div>
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<p>Policy EE 1.5: Recognize and protect property rights by:</p> <ol style="list-style-type: none"> Seeking to maintain a balance between the rights of property owners and efforts to plan for the community. Not taking property without just compensation. Recognizing and protecting the rights of all property owners, individuals and groups to participate in planning and land use decisions. <div data-bbox="284 763 970 853" style="border: 1px solid black; padding: 5px;"> <p>Protection of private property rights helps encourage private investment, which in turn, contributes to economic vitality.</p> </div> <p>Policy EE 1.6: The County should develop and maintain staff trained in and committed to facilitating economic development opportunities.</p> <div data-bbox="272 1019 970 1232" style="border: 1px solid black; padding: 5px;"> <p>Having staff with training in key economic development concepts including but not limited to infrastructure funding and financing; business retention, expansion and attraction strategies will foster a culture among County personnel to collaborate with the EVC and other organizations to pursue opportunities geared towards sustainable economic vitality.</p> </div> <p>Policy EE 1.7: Whenever there is a possibility of economic effects from projects of regional significance, economic impact analyses should be used to enable consideration of both positive and negative effects of proposed plans, policies and projects on capital, jobs, incomes, sales and public revenue.</p> <div data-bbox="284 1518 949 1832" style="border: 1px solid black; padding: 5px;"> <p>It is important for the County to understand the potential economic effects, in addition to environmental impacts, when it is considering proposed plans, public policies, and development projects. The economic effects to county residents could be both positive and negative. This information helps the County balance the pros and cons of its significant decisions. However, incurring the cost to produce this economic information may not be warranted in all cases.</p> </div>	<p>Examples of resource and infrastructure expansion projects.</p> <div data-bbox="1070 530 1370 797" data-label="Image"> </div> <p><i>Completed and operational by 2011, the Nacimeinto Water Project increased water supply for many communities in the county..</i></p> <div data-bbox="1070 1016 1370 1240" data-label="Image"> </div> <p><i>Construction of the Willow Road Project in Nipomo began in 2010.</i></p> <p>The Economic Strategy has created a unique opportunity to bring business owners, who may otherwise have been only one-time users of the land use process, into the broader public, private and non-profit dialogue of what it takes to create a diverse economy. Greater participation and involvement from all sectors can lead to a better understanding of the issues and foster balanced and informed decisions.</p>
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CHAPTER 2	GOALS AND POLICIES
<p>Civic Entrepreneurs</p> <p>Civic entrepreneurs help communities collaborate to develop and organize their economic assets and to build productive, resilient relationships across the public, private, and civil sectors. They forge the ties that bind economy and community for their mutual benefit. They provide continuity to work on tough issues over the long haul. The term civic entrepreneur combines two important American traditions: entrepreneurship--the spirit of enterprise--and civic virtue--the spirit of community. Entrepreneurs are change agents.</p> <p><i>"Civic Entrepreneurs: Economic Professional as Collaborative Leader" by Douglas Henton, John Melville and Kimberly Walesh, Center for Community Economic Development, University of Wisconsin - Extension, Community Economics Newsletter, No. 269, March 1999</i></p>	<p>Policy EE 1.8:</p> <p>Provide employees and business owners more opportunities to minimize their need for automobile trips by supporting strategies such as live/work, telecommuting, satellite work centers, vehicle pools, carpooling, home occupations and mixed-use developments.</p> <div data-bbox="579 689 1264 1025" style="border: 1px solid black; padding: 10px;"> <p>One possible strategy for the County is to encourage new developments to include design features enabling employees and business owners to minimize their need for automobile trips. This may include reducing transportation impact fees where design features can be found to result in fewer vehicle trips. Another strategy might be to revise plans and ordinances to improve the jobs/housing balance by designating complementary commercial and residential land uses and by improving the feasibility of such developments.</p> </div> <p>GOAL EE 2: RETAIN AND ENHANCE A DIVERSE ECONOMY.</p> <div data-bbox="579 1160 1284 1198" style="background-color: #cccccc; padding: 2px;"> POLICIES EE 2.1 TO 2.4 </div> <p>Policy EE 2.1:</p> <p>Support efforts of business leaders to take initiative and act as "civic entrepreneurs" to implement the Economic Strategy which they created to improve economic conditions in the county.</p> <div data-bbox="579 1451 1276 1809" style="border: 1px solid black; padding: 10px;"> <p>While the Clusters of Opportunity Economic Strategy was created by the business community for implementation by the business community, the County can provide important support. For example, timely provision of information to the six clusters regarding proposed public plans or ordinances may enable the businesses most affected to participate in the planning process and help the County make more informed decisions. The County has facilitated opportunities for businesses to succeed and flourish by zoning sites for businesses and housing where there are appropriate services.</p> </div>
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GOAL AND POLICIES

CHAPTER 2

Policy EE 2.2:

Consider strategies to enable agriculture to remain economically viable such as continuing to allow non-agricultural activities and uses in rural areas where supportive of agricultural uses, avoiding land use conflicts and consistent with the General Plan.

Where an agricultural use does not by itself generate adequate income to support the landowner, supplemental small business activities that occupy a small portion of the site may help preserve a farm or ranch. Existing County plans, policies and ordinances allow such supplemental business activities, but limit their type and scale so that they do not diminish their site's agricultural potential or result in considerable land use conflicts with nearby agricultural activities.

Policy EE 2.3:

Continue to develop a diverse, countywide tourist industry that relates to the historical, cultural, recreational, agricultural (working landscapes) and natural attractions of the County.

One way the County furthers this policy is through the business improvement district (BID) formed in 2009 for tourism marketing.

Policy EE 2.4:

Encourage community and business support of arts and culture throughout the county.

The recognition of a community's arts and culture assets (and the marketing of them) is an important element of economic development.

Vibrant Example from the Uniquely SLO Cluster

"It cannot be overemphasized how important these winery visit and tasting room experiences are to the growth of brand and the development of brand loyalty in today's wine market. Ample research has shown that word of mouth based on personal experience is the ultimate driver of wine selection for today's wine consumers. This development will also drive high end tourism to San Luis Obispo County."

Economic Impact of Wine and Winegrapes in the Paso Robles



Chef Evan Treadwell at work in the kitchen of Dolphin Bay Resort in Shell Beach

Economic Element

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CHAPTER 2

GOALS AND POLICIES

GOAL EE 3: PROVIDE FOR STRATEGICALLY-LOCATED OPPORTUNITIES FOR ECONOMIC DEVELOPMENT.

POLICIES EE 3.1 TO 3.8

Policy EE 3.1:

Encourage a pattern of commercial and/or industrial development that is consistent with the General Plan by employing strategies such as master-planning sites in advance of development proposals.



Through innovative partnerships in our communities, PG&E is recruiting and training the next generation of California utility workers.

Urban commercial or industrial development does not need to be limited to locations within incorporated cities. There are urban communities in the county where commercial or industrial development is appropriate because of local access to major transportation systems, agricultural activities needing processing or other services, and residential areas from which employees can be drawn. Once commercial and/or industrial land has been designated in the Land Use Element, strategies such as master-planning, and expedited permitting can encourage developments supporting businesses in the six clusters. Finally, up-to-date information regarding locations of such master-planned sites could be made available online for businesses wishing to relocate or expand.

Policy EE 3.2:

Foster and encourage development that is close to existing infrastructure and development.

A pattern of compact urban development can provide public benefits through minimized environmental impacts and increased health and social benefits. It also provides the benefit of efficient use of critical public improvements such as roads,

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GOAL AND POLICIES

CHAPTER 2

water distribution, sewage collection, and drainage systems. Public improvements have grown challenging to fund or finance over the past twenty years, so the importance of their efficient use and maintenance has also grown.

Policy EE 3.3:

Work closely with cities and community services districts to provide continuity between City and County land use planning and to achieve a balance between economic and housing growth.

This can be pursued through concurrent planning and coordination between the County and community service districts as they prepare their respective capital improvement plans (for infrastructure), and may take advantage of opportunities for joint financing and/or grant applications.

Policy EE 3.4:

Encourage economic development that will provide employment opportunities in existing communities with higher unemployment.

For example, it may be possible to accomplish this through state or federal grants or low interest loans for infrastructure improvements or master-planning in communities that are economically distressed and/or that lack employment opportunities.

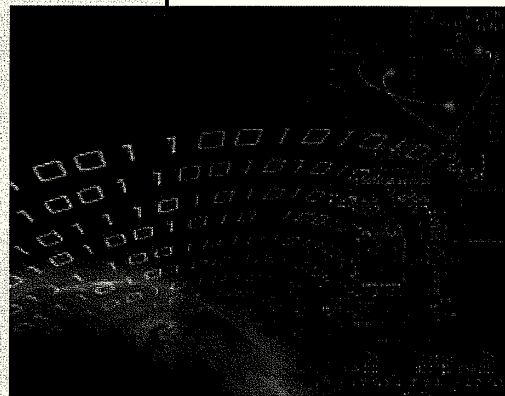
Policy EE 3.5:

Collaborate with public and private entities to expand local access to reliable, high bandwidth connections to global data networks.

San Luis Obispo County is one of just three major landing points for globally-connected fiber-optic cables crossing the Pacific Ocean (see Figure 1 below). This represents an economic opportunity for local businesses and the County may have a role in enabling local businesses to take advantage of it.



Workers sort recycling on a conveyor belt at the Cold Canyon Processing Facility.



Economic Element

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GOALS AND POLICIES



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GOAL AND POLICIES

CHAPTER 2

Policy EE 3.6:

Ensure that the county remains competitive with other regions, particularly for the business types which comprise the "clusters of opportunity."

The County recognizes that, in order to sustain economic vitality, it must compete with other regions to retain or attract businesses that provide quality jobs. One of the strategies for maintaining its competitiveness is to make continuous improvements to its development permit approval process, especially for the business types included in the six clusters of the Economic Strategy. Another strategy relates to quality of life factors that attract highly qualified entrepreneurs and/or employees.

Policy EE 3.7:

Encourage increased access to locally grown, produced or provided goods and services.

This policy is intended to encourage increased access to agricultural food and fiber products, as well as other locally produced or provided goods and services, especially those represented in the Economic Strategy.

Policy EE 3.8:

When preparing a comprehensive update of a community land use plan, the County should prepare information describing needed public improvements, their probable costs, when they will be needed, and methods for funding or financing them (e.g., Public Facilities Financing Plans).

The County recognizes that, when it updates a community land use plan to designate sites for new housing, commercial and/or industrial projects, it must also prepare information describing the public improvements needed to

Leveraging Creativity

"As we have seen, companies increasingly go, and are started, where talented and creative people are.

Instead of subsidizing companies, stadiums and retail centers, communities need to be open to diversity and invest in the kinds of lifestyle options and amenities that people really want. In fact you cannot be a thriving high-tech center if you don't do this."

Richard Florida, The Rise of the Creative Class, 2002



An example of access to locally grown food

A small pilot project of "vertical farming" operated in Los Osos by the Northern Chumash Tribal Council spokesperson Fred Collins. Strawberries grown here are sold to local residents.

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CHAPTER 2

GOALS AND POLICIES



*A worker harvests Pinot
Noir grapes at
Courtside Cellars in
San Luis Obispo.*

support the new development. Otherwise, development may not proceed as envisioned in the Land Use Element and problems such as traffic congestion can result. The County began preparing Public Facilities Financing Plans with the Shandon Community Plan update, which was adopted in 2012. In communities with independent community service districts, coordinating with those districts will be an essential part of preparing Public Facility Financing Plans.

GOAL EE 4: PROVIDE SUPPORT FOR ECONOMIC DEVELOPMENT IN SAN LUIS OBISPO COUNTY.

POLICIES EE 4.1 TO 4.9

Policy EE 4.1:

Develop programs for the retention and expansion of existing business, and the attraction of new businesses that are consistent with community goals and the Clusters of Opportunity Economic Strategy.

One strategy available for the County to pursue this policy may be to continue supporting the nonprofit Economic Vitality Corporation as it implements business retention and expansion programs including but not limited to training and loans for small businesses.

Policy EE 4.2:

Encourage provision of an adequate supply of appropriately-skilled labor for economic development by supporting a full range of educational opportunities, including vocational, technical, and professional education.

In 2011, with funding from the American Recovery and Re-Investment Act (ARRA), the County collaborated with Cuesta College to establish (1) a Best Performance Institute

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GOAL AND POLICIES

CHAPTER 2

(BPI) training class for local contractors so that they could perform energy audits associated with statewide rebates and (2) an energy tool lending library for qualified BPI contractors so they needn't invest in these specialized tools. Through this collaborative effort, 29 local contractors were trained in 2011.

Policy EE 4.3:

Support efforts to identify job training needs and job opportunities for existing county residents.

For example, it may be possible to enhance the ongoing efforts of Cal Poly and Cuesta College to meet the local job training needs and thereby improve opportunities for county residents and students entering the workforce, particularly in the clusters of opportunity.

Policy EE 4.4:

Coordinate infrastructure investment through a comprehensive capital improvement program guided by the Clusters of Opportunity Economic Strategy and the County General Plan.

The County's capital improvement program should address not only infrastructure for which the County would be the lead agency, but also should consider that of neighboring cities and community services districts. Opportunities may arise for the County and one or more cities or community services districts to jointly fund mutually beneficial infrastructure improvements.

Policy EE 4.5:

Provide housing opportunities for worker households of all income groups.

The Housing Element of the San Luis Obispo County General Plan stresses that affordable housing "strengthens the local economy by ensuring that employers have access to high



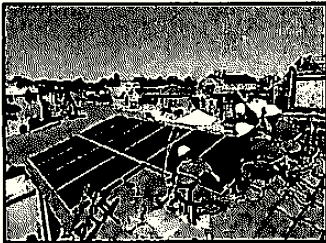
Animation supervisor works on the animation for a scene of a movie CafeFX was working on.

CHAPTER 2

GOALS AND POLICIES



Federal and State Government and utility companies are providing large home energy retrofit rebate programs to stimulate job growth and the economy, and to reduce home energy use.



*GRID Alternatives, Oct 22, 2011
Solarthon rooftop photo includes:
Solar power demystified while fighting global warming, educating job trainees and bringing needed energy cost savings to eight low-income families all in one day.*

Quality workers and by enabling people to spend more of their income on goods and services rather than on housing." (Pg 1-2) The Housing Element also acknowledges the need for farm worker housing.

Policy EE 4.6:

Continue working toward improved predictability and competitiveness by simplifying and streamlining land use procedures and considering provision of incentives for development to locate where encouraged by general plan policies.

Economic regions such as San Luis Obispo County compete as locations for expansion or relocation of businesses that create quality jobs. Regions develop reputations for the degree to which they are "business friendly" in terms of predictability and timeliness of land use procedures. In this regard, the County's continuous process improvement efforts can enhance predictability of the permitting processes.

Policy EE 4.7:

Support programs that will facilitate progress toward economic development goals and monitor such programs' success.

Policy EE 4.8:

Consider supporting reliable and cost-effective energy resources and the infrastructure to deliver them.

As much of the Eastern United States found after a violent storm in the Summer of 2012 disrupted power supply for millions of residents and unknown number of businesses, reliable energy resources and infrastructure can help prevent serious problems with economic vitality.

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GOAL AND POLICIES	CHAPTER 2
<p data-bbox="268 465 432 495"><i>Policy EE 4.9:</i></p> <p data-bbox="268 504 778 533">Support and maintain existing energy programs.</p> <div data-bbox="272 591 943 790"><p data-bbox="288 600 927 757">The County could continue to build a collaborative network with local cities, other local and state agencies, utilities, the California Energy Commission and Public Utility Commission to support and implement a wide range of energy efficiency and renewable programs</p></div>	<div data-bbox="1034 1854 1331 1910"><p data-bbox="1059 1865 1246 1895">Economic Element</p><p data-bbox="1273 1865 1331 1895">2-13</p></div>

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APPENDIX A: SAN LUIS OBISPO COUNTY CLUSTERS OF OPPORTUNITY ECONOMIC STRATEGY

APPENDIX A

Photo: Pete Dominguez tightens bolts on a solar sunflower being installed at the Children's Museum in San Luis Obispo. Designed by three Cal Poly students the 24 foot tall flower will have a solar panel that can be rotated and will power a fountain. PG&E provided the workers and equipment to get the 1650 pound structure into place.

Note: Except for photographs, the content of Appendix A is excerpted from the San Luis Obispo County Clusters of Opportunity Economic Strategy, November 2010, which was created by the Economic Vitality Corporation (EVC).

Clusters of opportunity provide the logical starting point for an economic strategy for the county. Five industry clusters were responsible for ninety percent of the county's new economic vitality since the 1990s. They are: Building Design and Construction, Health Services, Knowledge and Innovation Services, Specialized Manufacturing, and "Uniquely SLO County" (a combination of agriculture, wine, recreation, accommodation, restaurants, and other specialty products and experiences). The initial economic analysis by Collaborative Economics, Inc. identified five clusters. A sixth cluster, the Green Energy cluster, was later identified from businesses in some of the five clusters because of the important and emerging businesses involved in energy efficiency and renewable energy generation.

Clusters of opportunity, if innovative, competitive, and healthy, will drive the "vital cycle" needed for economic prosperity and community quality of life that benefits residents across San Luis Obispo County. They generate jobs and wages for residents to buy products and services from local suppliers, thereby creating a positive ripple effect to create benefits for every community in the County. They generate tax revenues that pay for local public services and support the outstanding quality of life enjoyed by local residents.

Business leaders convened in cluster groups to identify the most promising opportunities for their industries to prosper in San Luis Obispo County. They identified a wide range of opportunities -

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APPENDIX A

ECONOMIC STRATEGY

even in the face of a global recession - that could drive their prosperity in the years ahead, including emerging markets for their products and services, new innovations that will enable them to stay competitive, and changes in public policy that could spur new vitality in their industries.

To capitalize on these opportunities, business leaders created cluster action plans, including specific strategies and measurable outcomes, as well as specific actions to take immediately. Virtually all of these leaders have signed on to be "champions" of the action plans, which together constitute the Clusters of Opportunity Economic Strategy for San Luis Obispo County.

As of 2008, the five clusters accounted for 36% of the County's jobs, but have been responsible for 89% of the County's job growth since the mid-1990s. From 1995 to 2008, the number of jobs in San Luis Obispo County's cluster-based economy grew 59%, while the number of jobs in the rest of the region's economy increased by less than one percent. More recently, while the number of jobs in non-cluster industries actually decreased eight percent from 2003 to 2008, those in the cluster-based economy grew nine percent.

As the chart below shows, the five clusters all experienced average annual growth rates ranging from about two to six percent between 1995 and 2008. Every one of the clusters is more concentrated in San Luis Obispo County, compared to the California average. For example, Specialized Manufacturing is four times more concentrated in terms of employment in San Luis Obispo County when compared to California as a whole. While the current global recession has adversely affected virtually all sectors of the local economy, the long-term record of these five clusters has not been erased: they remain as key drivers of the County's economic vitality and community well-being.

Once the clusters of opportunity were identified, business leaders were convened into five cluster groups. In May 2010, more than 100 senior business executives gathered to discuss the most promising opportunities for their industries to prosper in San Luis Obispo County. They identified a wide range of opportunities—even in the face of a global recession—that could drive their

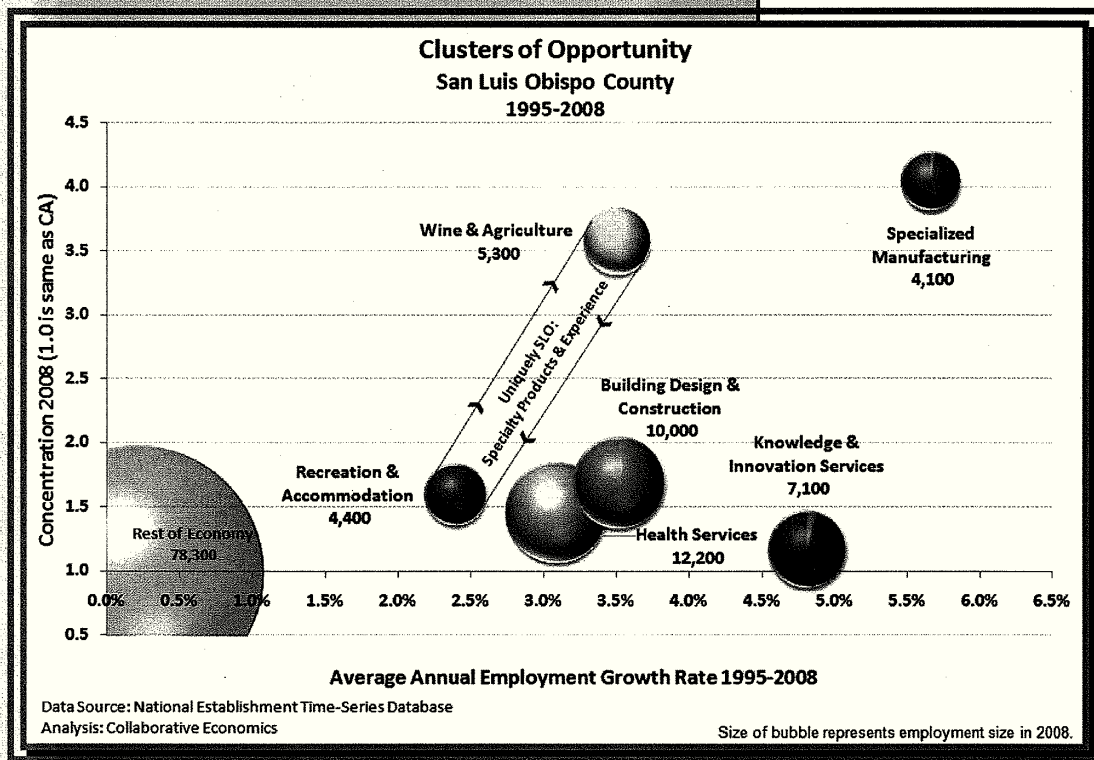
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ECONOMIC STRATEGY

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prosperity in the years ahead, including growing markets for their products and services, new innovations that will enable them to stay competitive, and changes in public policy that could spur new vitality in their industries. They also identified the critical requirements to capitalize on these opportunities in San Luis Obispo County.

Between May and October 2010, these business leaders focused on how best to capitalize on the most promising opportunities for their clusters. They developed action plans that include specific strategies and measurable outcomes, as well as specific actions to take immediately. Virtually all of these leaders have signed on to be "champions" of the action plans, which together constitute the Clusters of Opportunity Economic Strategy for San Luis Obispo County.



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APPENDIX A

ECONOMIC STRATEGY

WHAT ARE CLUSTERS OF OPPORTUNITY?

Clusters of opportunity are sectors of the economy identified by growth in one or more areas: value, jobs or wages. A cluster of opportunity elaborates on the concept of an industry cluster – traditionally seen as export-oriented, geographically-concentrated, relationships, as well as shared labor pools and other specialized infrastructure – by including a mix of export and population driven sectors.

BUILDING, DESIGN & CONSTRUCTION

To create head of household jobs and housing designed for personal enjoyment, create a sense of place and demonstrate the efficient use of resources.

Business leaders in the Building Design and Construction cluster identified opportunities to serve growing markets in energy efficiency (including retrofits), renewable energy production and applications, and innovative design and building. They identified retirement housing, especially opportunities linked to active lifestyle, health, and related services, and opportunities to serve the need for workforce housing, infill development, and community infrastructure.

Photo: Workers from Souza Construction use a tool to vibrate air pockets out of concrete at the Hollister Bridge over Chorro Creek at Cuesta College.

The bridge takes its name from the nearby 1840's era adobe. Concrete is being poured for the bottom deck and supporting stems.



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Economic Element

3-33**ECONOMIC STRATEGY****APPENDIX A****GREEN ENERGY**

To establish SLO County as a world class leader in green energy through the implementation of a diversified portfolio of key initiatives, which includes energy efficiency, distributed generation systems, and utility scale generation.

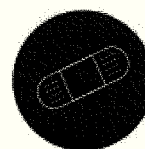


Green Energy business leaders identified opportunities to facilitate resolution of issues affecting approval of local projects, help develop, package, and publicize incentives for energy efficiency upgrades, and work with local educational institutions to prepare local talent for design, installation, maintenance, and other jobs

HEALTH SERVICES

To establish San Luis Obispo County as a center for wellness excellence by expanding the range of care facilities, new technologies and services, enabling residents to "age in place" without need to travel outside the area.

Leaders in the Health Services cluster identified opportunities to serve growing markets in destination health care, wellness, medical specialties, health information technology, telemedicine, and medical and social support for a growing elderly population. In addition, leaders identified opportunities to have more residents make use of local specialties rather than looking outside the County for these services. The implementation of national healthcare reform was also viewed as a potential driver, with the



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ECONOMIC STRATEGY

expansion of health insurance to those previously lacking coverage.



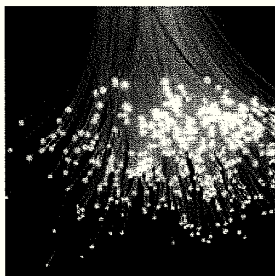
Dr. Mark Sada and Cardiovascular technologist Pete Pascal, center, work on putting a stint into a patient having a heart attack as radiologic technologist, Christine Houck, left, and Cardiovascular technologist Tiffany Chavez, right, monitor and help with the procedure in French Hospital's new cardiac care center.



KNOWLEDGE & INNOVATION

To achieve recognition of SLO County's cradle of innovation and technology infrastructure which offers a superior set of resources available to plant, grow and sustain each business with a competitive advantage

Business leaders in the Knowledge and Innovation Services cluster identified opportunities to serve growing global markets for knowledge, engineering, and other technical services, enabled by rapid innovation in mobile technologies and platforms. Because of this enabling technology, firms can deliver their services in education, healthcare, and other technical fields to a far-reaching global market without having to be located in a major metropolitan area. In this vein, business leaders identified the County as a good location for incubating and launching new services and entrepreneurial start-up companies.



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Economic Element

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ECONOMIC STRATEGY

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SPECIALIZED MANUFACTURING

To leverage the strength and quality of San Luis Obispo County's Specialty Manufacturing Alliance to grow business, collaborate on projects, share and develop knowledge, and make a positive impact on our region.

Business leaders in the Specialized Manufacturing cluster identified opportunities to serve growing markets for customized, specialty equipment in such areas as sub-systems manufacturing, design, and support; aerospace and defense; energy efficiency and exploration; health technology; commercial applications of defense-originated technologies; and others. This cluster has the greatest concentration and highest growth rate of all the clusters, but since cluster companies typically provide products or services outside the County, specialized manufacturing is one of the least visible of the clusters. However, the benefits to the region are significant, with the potential to expand further.



*Workers
powder coat
parts at Paris
Precision
Products in
Paso Robles.*



UNIQUELY SLO COUNTY

To position, brand and promote San Luis Obispo County as a choice destination for regional, national, and global visitors

Business leaders in the Uniquely SLO County cluster identified opportunities to serve growing markets for unique regional products and experiences. In particular, growing interest in unique blends of wine, agricultural, educational, and culinary tourism could be drivers of prosperity for the industries in this cluster.



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APPENDIX A

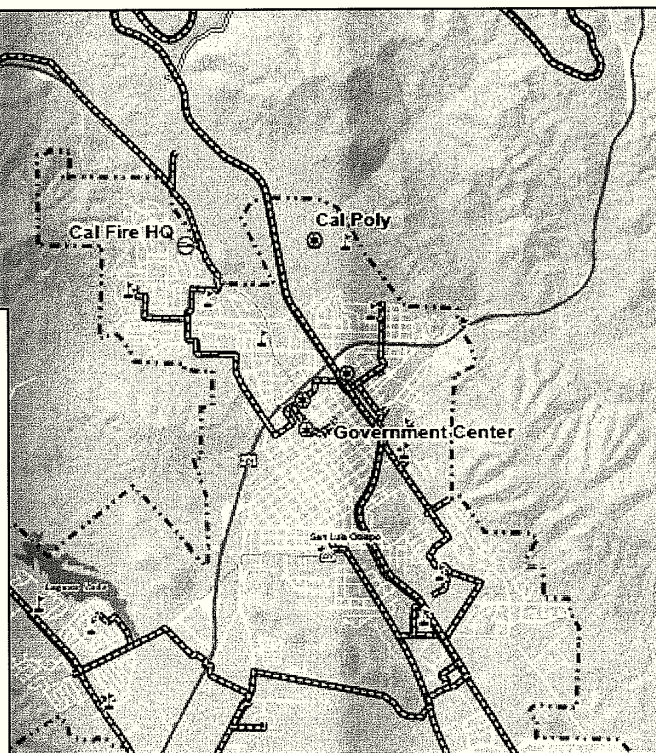
ECONOMIC STRATEGY

The cluster would benefit from expansion of: tours that involve multiple destinations (including those outside County), new and diverse attractions, meet the farmer opportunities and on-site sales (beyond wine), winery events, growing specialties (e.g., abalone, olives, olive oil, and walnut oil), and showcasing of agricultural innovation. Business leaders also noted that by connecting these elements and making them more visible to County residents would create better understanding and support for maintaining the future prosperity of this cluster.

Workers load up a trailer with freshly picked nappa cabbage in the fields of the Ikeda Farm in Arroyo Grande.



APPENDIX B



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**Exhibit LRP2011-00014:B –
General Rule Exemption
for Economic Element**

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NOTICE OF GENERAL RULE EXEMPTION

SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING

976 OSOS STREET • ROOM 200 • SAN LUIS OBISPO • CALIFORNIA 93408 • (805) 781-5600

Promoting the Wise Use of Land • Helping to Build Great Communities

TO: County Clerk
County of San Luis Obispo

Office of Planning and Research
P.O. Box 3044, Rm 212
Sacramento, CA 95812-3044

ENVIRONMENTAL DETERMINATION NO. ED11-200 DATE: July 9, 2012

PROJECT DESCRIPTION

ENTITLEMENT & P/D NO: LRP2011-00014

PROJECT LOCATION: Countywide

DESCRIPTION OF NATURE, PURPOSE AND BENEFICIARIES OF PROJECT: Comprehensive update of the Economic Element of the General Plan

NAME OF PUBLIC AGENCY APPROVING PROJECT: County of San Luis Obispo (see above address)

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT: County of San Luis Obispo

EXEMPT STATUS/FINDINGS

This project is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. It can be seen with certainty that there is no possibility that this project may have a significant effect on the environment, therefore, the activity is not subject to CEQA. [Reference: State CEQA Guidelines sec. 15061(b)(3), General Rule Exemption]

REASONS WHY PROJECT IS EXEMPT

This proposed update of the Economic Element would result in high level goals and policies only, without specified implementation programs; therefore there is no possibility that this project may have a significant effect on the environment.

ADDITIONAL INFORMATION

Additional information pertaining to this notice of exemption may be obtained by reviewing the second page of this document and by contacting the Environmental Coordinator, 976 Osos St., Rm. 200, San Luis Obispo, CA 93408, (805) 781-5600.

Dana Lilley

805-781-5715

Lead Agency Contact Person

Telephone

If filed by applicant:

1. Attach certified document of exemption finding
2. Has a notice of exemption been filed by the public agency approving the project?
Yes ☒ No ☐

Signature

John McKenzie

Date 8/1/12

Name (Print) John McKenzie

Title: Senior Planner

3-40**REVIEW FOR EXEMPTION / ENVIRONMENTAL CHECKLIST****Project Title & No:** Economic Element Update LRP2011-00014

Pursuant to section 15061 of the State California Environmental Quality Act (CEQA) Guidelines, the preliminary review of a project includes a determination as to whether a project is exempt from CEQA. This checklist represents a summary of this project's review for exemption.

- | | <u>YES</u> | <u>NO</u> |
|--|--------------------------|-------------------------------------|
| 1. Does this project fall within any exempt class as listed in sections 15301 through 15329 of the State CEQA Guidelines? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2. Is there a reasonable possibility that the project could have a significant effect on the environment due to unusual circumstances? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 3. Is the project inconsistent with any Federal, State, or local law or administrative requirement relating to the environment? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 4. Will the project involve substantial public controversy regarding environmental issues? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 5. Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 6. Does the project have the potential to achieve short-term environmental goals to the disadvantage of achieving long-term environmental goals? (A short-term impact on the environment is one which occurs in a relatively brief, definitive period of time while long-term impacts will endure well into the future.) | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 7. Does the project have adverse impacts which are individually insignificant, but cumulatively significant? Cumulatively significant means that the incremental effects of an individual project are substantially adverse when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects. | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 8. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

On the basis of this initial evaluation, I find that the proposed project does not have the potential to cause a significant effect on the environment, and is therefore exempt from CEQA.

Dana Lilley
for Ellen Carroll, Environmental Coordinator

8/1/12

Date

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**Exhibit LRP2011-00014:C –
Comparison of existing and proposed goals
and policies of Economic Element (08/23/12)**

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Exhibit LRP2011-00014:C - Comparison of existing and proposed goals and policies (08/23/12)

This table shows the goals and policies of the previous Economic Element (originally adopted October 19, 1999), proposed changes to those goals and policies, and the resulting goals and policies. This information is provided both to facilitate public review of the draft comprehensive update to the Economic Element and to provide a record of changes. Under the proposed revisions column deletions are shown in strikethrough text and additions are shown in italics.

Previous goals & policies	Proposed revisions in hearing draft Economic Element	Result (clean)
Goal 1: Promote a strong and viable local economy by pursuing policies that balance economic, environmental, and social needs of the county.	[No change to previous goal language. Renumber to Goal EE 1]	Goal EE 1: Promote a strong and viable local economy by pursuing policies that balance economic, environmental, and social needs of the county.
	[Revise previous Policy 1i language. Renumber to Policy EE 1.1. For more information refer to Policy 1i below.]	Policy EE 1.1: Encourage economic activities that promote sustainable economic vitality.
Policy 1a. Pursue economic development activities that will benefit the economy while maintaining the quality of life.	<i>Maintain and enhance the quality of life for county residents by</i> Pursue pursuing economic development activities while to maintaining the quality of life. [Revise language as shown above and renumber to Policy EE 1.2]	Policy EE 1.2: Maintain and enhance the quality of life for county residents by pursuing economic development activities.
	[Revise previous Policy 1c language. Renumber to Policy EE 1.3. For more information refer to Policy 1c below.]	Policy EE 1.3: Balance the capacity for growth with the efficient use or reuse of available resources (energy, land, infrastructure).
	[Revise previous Policy 1h language. Renumber to Policy EE 1.4. For more information refer to Policy 1c below.]	Policy EE 1.4: Work closely with state, regional, and local agencies, and economic and business organizations to achieve common economic development goals.
Policy 1b. Recognize and protect property rights by: <ul style="list-style-type: none"> Seeking to maintain a balance between the rights of property owners and efforts to plan for the community. Not taking property without just compensation. Recognizing and protecting the rights of all property owners, individuals and groups to participate in planning and land use decisions. 	[No change to the previous policy, language. Renumber to Policy EE 1.5.]	Policy EE 1.5: Recognize and protect property rights by: <ul style="list-style-type: none"> Seeking to maintain a balance between the rights of property owners and efforts to plan for the community. Not taking property without just compensation. Recognizing and protecting the rights of all property owners, individuals and groups to participate in planning and land use decisions.
Policy 1c. Balance the capacity for growth with the resources available.	Balance the capacity for growth with the <i>efficient use or reuse of resources</i> available resources (energy, land, infrastructure). [Revise language as shown above]	

3-43**Exhibit LRP2011-00014:C - Comparison of existing and proposed goals and policies (08/23/12)****Page 2**

Existing goals & policies	Proposed revisions in hearing draft Economic Element	Result (clean)
<p>Policy 1d. Maintain and protect a living environment that is safe, healthful, and pleasant for all residents.</p>	<p>and renumber to Policy EE 1.3.]</p> <p>[Delete previous Policy 1d, since an identical policy exists in Framework for Planning (Principle 1, Policy 1).]:</p> <p>Principle 1: Preserve open space, scenic natural beauty and natural resources. Conserve energy resources. Protect agricultural land and resources.</p> <p>Policy 1. Maintain and protect a living environment that is safe, healthful and pleasant for all residents.</p>	
<p>Policy 1e. Protect open space resources that make SLO County an attractive place for economic development.</p>	<p>[Delete previous Policy 1e, since covered by many similar policies in COSE and Framework for Planning.]</p> <p>COSE:</p> <p>Policy BR 1.1 Protect Sensitive Biological Resources</p> <p>Policy BR 1.10 Identify and Protect Ecologically Sensitive Areas</p> <p>Policy OS 1.1 Future Open Space Protection</p> <p>Policy OS 1.7 Open space resource protection</p> <p>Policy OS 4.2 Maintain community separators</p> <p>Policy OS 4.6 Conversion to small-lot rural parcels</p> <p>Policy VR 3.1 Identify and Protect Community Separators</p> <p>LUE Framework for Planning:</p> <p>Principle 3: Foster distinctive, attractive communities with a strong sense of place.</p> <p>Policy 2. Protect rural areas between communities to achieve well-defined communities within an attractive rural setting.</p>	

3-44**Exhibit LRP2011-00014:C - Comparison of existing and proposed goals and policies (08/23/12)****Page 3**

Existing goals & policies	Proposed revisions in hearing draft Economic Element	Result (clean)
<p>Policy 1f. Protect agricultural resources that make San Luis Obispo County an attractive place for economic development.</p>	<p>[Delete previous Policy 1f, since covered by COSE Policies SL 3.1, WR 1.7; Framework Principle 1, Policy 6; and Ag Element Policy AGP 24.]</p> <p>COSE: Policy SL 3.1 Conserve Important Agricultural Soils Policy WR 1.7 Agricultural operations</p> <p>LUE Framework for Planning: Principle 1: Preserve open space, scenic natural beauty and natural resources. Conserve energy resources. Protect agricultural land and resources. Policy 6. Encourage the protection and use of agricultural land for the production of food, fiber and other agricultural commodities, and support the rural economy and locally-based commercial agriculture.</p> <p>Agricultural Element: AGP24: Conversion of Agricultural Land.</p>	
<p>Policy 1g. Assure that County government has staff trained in and committed to enhancing the economic as well as environmental and social quality of life.</p>	<p>Assure that <i>The County should develop and maintain</i> has staff trained in and committed to enhancing the economic as well as environmental and social quality of life <i>facilitating economic development opportunities.</i> [Revise language as shown above and renumber to EE 1.6.]</p>	<p>Policy EE 1.6: The County should develop and maintain staff trained in and committed to facilitating economic development opportunities.</p>
<p>Policy 1h. Work closely with state, regional, and local agencies to achieve common economic development goals.</p>	<p>Work closely with state, regional, and local agencies, <i>and economic and business organizations</i> to achieve common economic development goals. [Revise language as shown above and renumber to EE 1.4.]</p>	

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Exhibit LRP2011-00014:C - Comparison of existing and proposed goals and policies (08/23/12)

Page 4

Existing goals & policies	Proposed revisions in hearing draft Economic Element	Result (clean)
Policy 1i. Encourage businesses that promote the concept of sustainability.	Encourage businesses that promote the concept of sustainability <i>economic activities that promote sustainable economic vitality.</i> [Revise language as shown above and renumber to EE 1.1.]	
	[Revise previous Policy 2a. Renumber to Policy EE.1.7. For more information refer to Policy 2a below.]	Policy EE 1.7: Whenever there is a possibility of economic effects from projects of regional significance, economic impact analyses should be used to enable consideration of both positive and negative effects of proposed plans, policies and projects on capital, jobs, incomes, sales and public revenue.
	<i>Provide employees and business owners more opportunities to minimize their need for automobile trips by supporting strategies such as live/work, telecommuting, satellite work centers, vehicle pools, carpooling, home occupations and mixed-use developments.</i> [New policy, numbered as Policy EE 1.8.]	Policy EE 1.8: Provide employees and business owners more opportunities to minimize their need for automobile trips by supporting strategies such as live/work, telecommuting, satellite work centers, vehicle pools, carpooling, home occupations and mixed-use developments.
Goal 2: Create a diverse economy.	Create Retain and enhance a diverse economy. [Revise language as shown above and renumber to Goal EE 2]	Goal EE 2: Retain and enhance a diverse economy.
Policy 2a. In evaluating proposed plans and projects, consideration of potential economic benefits should be in balance with environmental and social considerations.	In evaluating proposed plans and projects, <i>Whenever there is a possibility of economic effects from projects of regional significance, economic impact analyses should be used to enable consideration of both positive and negative potential economic benefits should be in balance with environmental and social considerations effects of proposed plans, policies and projects on capital, jobs, incomes, sales and public revenue.</i> [Revise language as shown above and renumber to EE 1.7.]	

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Exhibit LRP2011-00014:C - Comparison of existing and proposed goals and policies (08/23/12)

Page 5

Existing goals & policies	Proposed revisions in hearing draft Economic Element	Result (clean)
Policy 2b. Pursue a diverse, countywide, comprehensive economic development strategy that considers cultural, environmental, and social resources.	<i>Encourage business leaders to take initiative and act as "civic entrepreneurs" to implement the Economic Strategy which they created to improve economic conditions in the county.</i> [Update and replace language as shown above and renumber to EE 2.1.]	Policy EE 2.1: Support efforts of business leaders to take initiative and act as "civic entrepreneurs" to implement the Economic Strategy which they created to improve economic conditions in the county.
Policy 2c. Create an economy that includes jobs all across the income spectrum.	[Delete previous Policy 2c. Policies 4b and 4c provide specific, targeted job-related policy direction and are considered to be more effective. Policies 4b and 4c were revised. For more information see below.]	
Policy 2d. Promote economic development that will enhance job opportunities for existing county residents.	[Delete previous Policy 2d. Policies 4b and 4c provide specific, targeted job-related policy direction and are considered to be more effective. Policies 4b and 4c were revised. For more information see below.]	
Policy 2e. Work with the private sector to improve job opportunities for underemployed and low income persons.	[Delete previous Policy 2e. Policies 4b and 4c provide specific, targeted job-related policy direction and are considered to be more effective. Policies 4b and 4c were revised. For more information see below.]	
Policy 2f. Take action to help agriculture remain economically viable.	Take action to help <i>Consider strategies to enable agriculture to remain economically viable such as continuing to allow non-agricultural activities and uses in rural areas where supportive of agricultural uses, avoiding land use conflicts and consistent with the General Plan.</i> [Revise language as shown above and renumber to Policy EE 2.3.]	Policy EE 2.2: Consider strategies to enable agriculture to remain economically viable such as continuing to allow non-agricultural activities and uses in rural areas where supportive of agricultural uses, avoiding land use conflicts and consistent with the General Plan.
Policy 2g. Continue to develop a diverse, countywide tourist industry that relates to the historical, cultural, recreational, and natural attractions of the county.	[No change to the policy language. Renumber to Policy EE 2.4.]	Policy EE 2.3: Continue to develop a diverse, countywide tourist industry that relates to the historical, cultural, recreational, and natural attractions of the county.

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Exhibit LRP2011-00014:C - Comparison of existing and proposed goals and policies (08/23/12)

Page 6

Existing goals & policies	Proposed revisions in hearing draft Economic Element	Result (clean)
	Encourage community and business support of arts and culture in the county. [New policy, numbered as Policy EE 2.5.]	Policy EE 2.4: Encourage community and business support of arts and culture in the county.
Goal 3. Assure the provision of strategically-located opportunities for economic development.	Assure the provision of Provide for strategically-located opportunities for economic development. [Revise language as shown above and renumber to Goal EE 3.]	Goal EE 3: Provide for strategically-located opportunities for economic development.
Policy 3a. Encourage a pattern of commercial and/or industrial development that is consistent with the General Plan, convenient to patrons, realistically related to market demand and the needs of the community, and, when compatible, near areas designated for residential use.	Encourage a pattern of commercial and/or industrial development that is consistent with the General Plan, convenient to patrons, realistically related to market demand and the needs of the community, and, when compatible, near areas designated for residential use by employing strategies such as master-planning sites in advance of development proposals.	Policy EE 3.1: Encourage a pattern of commercial and/or industrial development that is consistent with the General Plan by employing strategies such as master-planning sites in advance of development proposals.
Policy 3b. Encourage the phasing of urban development in a compact manner, first using vacant or underutilized parcels, lands next to existing development, and other lands approved in the General Plan for new development.	Encourage the phasing of urban Foster an arrangement of development in a compact manner, first using vacant or underutilized parcels, lands next to that is concentrated and close existing infrastructure, and other lands approved in the General Plan for new development. [Revise language as shown above and renumber to Policy EE 3.2.]	Policy EE 3.2: Foster an arrangement of development that is concentrated and close to existing infrastructure.
Policy 3c. Work closely with cities to provide continuity between City and County land use planning and to achieve a balance between economic and housing growth.	Work closely with cities and community services districts to provide continuity between City and County land use planning and to achieve a balance between economic and housing growth. [Revise language as shown above and renumber to Policy EE 3.3.]	Policy EE 3.3: Work closely with cities and community services districts to provide continuity between City and County land use planning and to achieve a balance between economic and housing growth.

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Exhibit LRP2011-00014:C - Comparison of existing and proposed goals and policies (08/23/12)

Page 7

Existing goals & policies	Proposed revisions in hearing draft Economic Element	Result (clean)
Policy 3d. Encourage economic development that will provide employment opportunities in communities with high unemployment and that are distant from existing job opportunities.	Encourage economic development that will provide employment opportunities in existing urban communities with higher unemployment and that are distant from existing job centers opportunities. [Revise language as shown above and renumber to Policy EE 3.3.]	Policy EE 3.4: Encourage economic development that will provide employment opportunities in existing urban communities with higher unemployment.
	<i>Collaborate with public and private entities to expand local access to reliable, high bandwidth connections to global data networks.</i> [New policy, numbered as Policy EE 3.5.]	Policy EE 3.5: Collaborate with public and private entities to expand local access to reliable, high bandwidth connections to global data networks.
	<i>Ensure that the county remains competitive with other regions, particularly for the business types which comprise the "clusters of opportunity."</i> [New policy, numbered as Policy 3.6.]	Policy EE 3.6: Ensure that the county remains competitive with other regions, particularly for the business types which comprise the "clusters of opportunity."
	<i>Encourage increased access to locally grown, produced or provided goods and services.</i> [New policy, numbered Policy EE 3.7.]	Policy EE 3.7: Encourage increased access to locally grown, produced or provided goods and services.
	<i>When preparing a comprehensive update of a community land use plan, the County should prepare information describing needed public improvements, their probably costs, when they will be needed, and methods for funding or financing them (e.g., Public Facility Financing Plans).</i> [New policy, numbered Policy EE 3.8.]	Policy EE 3.8: When preparing a comprehensive update of a community land use plan, the County should prepare information describing needed public improvements, their probably costs, when they will be needed, and methods for funding or financing them (e.g., Public Facility Financing Plans).
Goal 4. Provide support for economic development in San Luis Obispo County.	[No change to previous goal language. Renumber to Goal EE 1]	Goal EE 4. Provide support for economic development in San Luis Obispo County.
Policy 4a. Develop programs for the retention and expansion of existing business, and the attraction of new businesses that are consistent with community goals.	Develop programs for the retention and expansion of existing business, and the attraction of new businesses that are consistent with community goals and the Clusters of Opportunity Economic Strategy. [Revise language as shown above	Policy EE 4.1: Develop programs for the retention and expansion of existing business, and the attraction of new businesses that are consistent with community goals and the Clusters of Opportunity Economic Strategy.

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Exhibit LRP2011-00014:C - Comparison of existing and proposed goals and policies (08/23/12)

Page 8

Existing goals & policies	Proposed revisions in hearing draft Economic Element	Result (clean)
	and renumber to Policy EE 4.1.]	
Policy 4b. Assure that SLO County has an adequate supply of appropriately-skilled labor for economic development by supporting a full range of educational opportunities, including vocational, technical, and professional education.	Assure that SLO County has <i>Encourage provision of an adequate supply of appropriately-skilled labor for economic development by supporting a full range of educational opportunities, including vocational, technical, and professional education.</i> [Revise language as shown above and renumber to Policy EE 4.2.]	Policy EE 4.2: Encourage provision of an adequate supply of appropriately-skilled labor for economic development by supporting a full range of educational opportunities, including vocational, technical, and professional education.
Policy 4c. Support efforts to identify job training needs and job opportunities for residents who are on welfare, unemployed, or underemployed, and to reduce obstacles to employment.	Support efforts to identify job training needs and job opportunities for <i>existing county</i> residents who are on welfare, unemployed, or underemployed, and to reduce obstacles to employment. [Revise language as shown above and renumber to Policy EE 4.3.]	Policy EE 4.3: Support efforts to identify job training needs and job opportunities for existing county residents
Policy 4d. Coordinate infrastructure investment with the economic development strategy.	Coordinate infrastructure investment with an economic strategy through a comprehensive capital improvement program <i>guided by the Clusters of Opportunity Economic Strategy and the County General Plan.</i> [Revise language as shown above and renumber to Policy EE 4.4.]	Policy EE 4.4: Coordinate infrastructure investment with an economic strategy through a comprehensive capital improvement program guided by the Clusters of Opportunity Economic Strategy and the County General Plan.
Policy 4e. Provide housing opportunities for worker households of all income groups.	[No change to the policy language. Renumbered to Policy EE 4.5.]	Policy EE 4.5: Provide housing opportunities for worker households of all income groups.
Policy 4f. Minimize administrative delays and costs to fee payers in the administration of the General Plan.	[Delete previous Policy 4f. It is unclear and appears to be duplicative with previous Policy 4g.]	
Policy 4g. Simplify development review procedures and provide incentives for development to locate where plan policies encourage it to occur.	<i>Continue working toward improved predictability and competitiveness by simplifying and streamlining land use procedures and consider provision of incentives</i> for development to locate where encouraged by general plan policies. [Revise language as shown above and renumber to Policy EE 4.6.]	Policy EE 4.6: Continue working toward improved predictability and competitiveness by simplifying and streamlining land use procedures and consider provision of incentives for development to locate where encouraged by general plan policies.

3-50**Exhibit LRP2011-00014:C - Comparison of existing and proposed goals and policies (08/23/12)****Page 9**

Existing goals & policies	Proposed revisions in hearing draft Economic Element	Result (clean)
Policy 4h. Provide information that will facilitate economic development.	<i>Support programs that will facilitate progress toward economic development goals and monitor such programs' success.</i> [Consolidate and revise language from Policies 4h & 4i and renumber as Policy EE 4.7.]	Policy EE 4.7: Support programs that will facilitate progress toward economic development goals and monitor such programs' success.
Policy 4i. Monitor progress toward economic development goals.	[Refer to revisions to Policy 4h above.]	
	<i>Consider supporting reliable and cost-effective energy resources and the infrastructure to deliver them.</i> [New policy, numbered as Policy EE 4.8]	Policy EE 4.8: Consider supporting reliable and cost-effective energy resources and the infrastructure to deliver them.
	<i>Support and maintain existing energy programs and sectors.</i> [New policy, numbered as Policy EE 4.8.]	Policy EE 4.9: Support and maintain existing energy programs and sectors.

3-50-1

Wine Country Alliance comments (continued)	
<p>b. Chapter 1, page 1-5 Goal EE 2: We suggest the following revised wording: Economic development will be most beneficial to San Luis Obispo County <u>through diversified industries and workers with a range of employment opportunities to avoid risks associated with business cycles.</u></p>	<p>b. The Department agrees with the recommended revision.</p>
<p>c. Chapter 1, Goal EE 4: We appreciate the recognition that support for economic development goes beyond the designation of sites, but can more importantly come in the form of streamlined permit processing, access to financing, education, etc. To that end, we also suggest adding <u>enhanced community awareness to the list of examples of support.</u></p>	<p>c. The Department agrees with the recommended revision.</p>
<p>d. Chapter 2, page 2-1, Policy EE 1.1: The last statement in the definition for "sustainable economic vitality" focuses on attracting <i>highly</i> qualified and <i>talented</i> persons (<i>the "Creative Class"</i>). We question the validity of targeting a specific class as a metric for sustainable economic vitality. Likewise it seems to conflict with Goal EE2 that refers to the need for a diverse economy, rather than targeting a specific class of workers. We suggest striking these references and simply refer to the importance of attracting "qualified and skilled persons". Likewise, we suggest adding back in former Policy 2c "create an economy that includes jobs all across the income spectrum". This is consistent with creating a diversity of business opportunities with a wide range of employment opportunities.</p> <p>Additionally, a statement should be added to recognize the six clusters of opportunity identified in the EVC Economic Strategy. These clusters are the starting point for "sustainable economic vitality" specific to San Luis Obispo County. As such we suggest the following revisions beginning with the last sentence in the box under Policy EE 1.1:</p> <p>"Many factors combine to support such long term economic vitality and they include, but are not limited to, access to capital, a suitably trained workforce, housing for the workforce, infrastructure (water, sewer, transportation, etc.) and a diverse and ample collection of quality of life amenities that attract <u>qualified and skilled persons. Sustainable economic vitality is achieved through an economy that includes jobs all across the income spectrum.</u>"</p> <p><u>"Through the efforts of the EVC in developing an Economic Strategy through Clusters of Opportunity, six clusters were identified to drive the "vital cycle" for economic prosperity. The Clusters were identified as</u></p>	<p>d. The Department does not agree with this comment. The reference to "highly qualified and talented persons" in the text box under Policy EE 1.1 does not imply that the economy should not be diverse and does not conflict with Goal EE 2. Also, the additional recommended text is already included in the Appendix of the draft Economic Element.</p>

3-50-2

<p><u>follows: Building Design & Construction; Health Services; Knowledge and Innovation Services; Specialized Manufacturing, Green Energy; and Uniquely SLO (a combination of agriculture, wine, recreation, accommodation, restaurants, and other specialty products and experiences).</u></p> <p><u>These clusters were responsible for ninety percent of the county's economic vitality since the 1990s. These clusters of opportunity, if innovative, competitive, and healthy can drive "sustainable economic vitality" in San Luis Obispo County. They generate jobs and wages for residents to buy products and services from local suppliers, thereby creating a positive ripple effect to create benefits for every community in the county. They generate tax revenues that pay for local public services and support the outstanding quality of life enjoyed by local residents."</u></p>	
<p>e. Chapter 2, page 2-2, Policy EE 1.2: Please add the following: While it is important to protect the environmental features <u>(whether natural or working landscapes)</u> that make SLO County a desirable place to live...</p>	<p>e. The Department agrees with this recommended revision.</p>
<p>f. Chapter 2, page 2-2, Policy EE 1.4: We suggest re-wording the comment box to state: <u>Including economic and business organizations in regional collaboration on economic development goals, policies, and implementation will enable priorities of mutual interest to move forward.</u> We also suggest moving the comment in the side bar regarding the opportunity for broader participation into this comment box for Policy EE 1.4. Perhaps a photo of an EVC meeting with Supervisors Mecham and Hill can be put in the side bar in exchange?</p>	<p>f. The Department agrees with this recommended revision, but not with moving the comment from the side bar.</p>
<p>g. Chapter 2, page 2-3 Policy EE 1.5: Although this language was taken from the current Economic Element, this update may be the opportunity to strengthen the language in this policy. However, we do not have any specific suggestions at this time.</p>	<p>g. The Department appreciates this comment, but does not propose to revise Policy EE 1.5.</p>

3-50-3

h. Chapter 2, page 2-3 Policy EE 1.6: We suggest rewording the comment box to state: Having staff with training in key economic development concepts <u>including but not limited to</u> infrastructure funding and financing, business retention, expansion and attraction strategies <u>will foster a culture among county personnel to pursue opportunities geared towards sustainable economic vitality.</u>	h. The Department agrees with this recommended revision.
i. Chapter 2, page 2-5 Policy EE 2.4: We suggest adding "working landscapes" to this policy statement, as follows: Continue to develop a diverse, countywide tourist industry that relates to the historical, cultural, recreational, natural, and <u>working landscape attractions of the County.</u>	i. The Department agrees with this recommended revision.
j. Chapter 2, page 2-7 Policy EE 3.2: We prefer the existing language found in Policy 3b. to the proposed language of Policy EE 3.2. Additionally we question the science behind some of the statements in the comment box. For instance, is it true that compact urban development increases health and social benefits? Can it not also expose higher population densities to more vulnerability from epidemics or natural disasters?	j. The Department does not agree with this comment. The meaning is very similar to the existing Policy 3b, except for the important reference to proximity of infrastructure. As for the benefits of compact development (in the text box), communities that are compact enable people to walk to visit neighbors, access by emergency vehicles is generally better than in rural areas. The Department is unaware of any scientific evidence suggesting that low density development is less vulnerable to epidemics or natural disasters.
k. Chapter 2, page 2-7 Policy EE 3.4: Likewise, we prefer the existing language found in Policy 3d to the proposed language in Policy EE 3.4.	k. The Department does not agree with this comment. The main difference is that the existing Policy 3d would encourage economic development to provide jobs in communities distant from existing job centers.
l. Chapter 2, page 2-11 Policy EE 4.1: Consider rewording to: "The County should continue to provide support to the nonprofit Economic Vitality Corp or other such groups that foster incentives to attract businesses"...	l. The Department does not agree with this comment. Policy EE 4.1 is intentionally worded broadly, since it would apply to both private nonprofit groups such as the EVC, but also public agencies. Also, the retention and expansion of existing businesses may be more important than attracting new businesses. The text box clarifies that support for the EVC would be consistent with the policy.
m. Chapter 2, page 2-12 Policy EE 4.3: A comment box should be added to reflect efforts of and increased coordination with Cal Poly and Cuesta College to provide job training needs and opportunities for county residents and students entering the workforce, particularly in the clusters of opportunity.	m. The Department agrees with this recommended revision.

3-50-4

Wine Country Alliance comments (continued)	
n. Chapter 2, Policy EE 4.5: A comment box should be added to continue to coordinate with all sectors in ensuring adequate housing or a guestworker program to provide a legalized immigrant worker program, particularly for the service and agricultural industries.	n. The Department agrees to add a text box under this policy including reference to the need for farm worker housing. Also, the Housing Element includes a program (HE 1.E) calling for review and possible amendments to the County's farm worker housing standards..
o. Finally, we suggest that the remaining policies that do not include a comment box should be given more consideration. The comment boxes are useful and helpful in identifying ideas and strategies for the implementation of the policy. Each policy should have a comment box.	o. The Department agrees with this comment.
7. South County Advisory Council	
a. Goal EE 3: In the case of unincorporated communities, economic development should be located inside the urban reserve line.	a. Existing County General Plan policies support economic development activities outside of urban reserve, but primarily for agriculture and other activities that are directly associated with agriculture or are in support of economic viability of agriculture.
b. Policy EE 1.3: Capacities of all resources should be treated as equal.	b. Water resources were emphasized in this policy because water supply has become the most challenging resource to balance with growth envisioned in the General Plan.
c. Policy EE 1.4: Our County should consider working with adjacent Counties.	c. The Department agrees with this comment and is collaborating with Santa Barbara County on a few key issue areas (energy efficiency of homes, for one).
d. Policy EE 1.8: Remove. Commuting choices should not be dictated as individuals vary widely as to ability to use some commuting options.	d. This policy is not intended to limit individuals' commuting choices. To the contrary, it is intended to expand and enhance their choices.
e. Policy EE 2.4: Tourism should not be catered to. The byproduct of tourism is more energy consumption, more greenhouse gas generation, more housing problem, more demand for public support for its service employees, more demand on police and fire control resources.	e. Tourism also creates jobs, brings needed tax revenues into the County, and to some degree, helps agricultural operations remain economically viable.
f. Policy EE 3.6 Counterproductive (and wrong) to compete by lowering building and development standards or allowing environmental degradation or offering various tax incentives, which reduce County revenue and services.	f. This policy does not suggest lowering standards, allowing environmental degradation or offering tax incentives.

3-50-5**Part III: Comments from individuals**

<p>8. Carl Dudley, Mission Community Bank</p> <p>As you know I sit on the EVC Board of Directors. The Board was requested to review the proposed draft document, which I did. I liked that this will become an official part of the County's mantra and the clusters concerns will be addressed whenever policy is renewed or updated. However, I have do have a concern of keeping the momentum for the partnership between you (Government) and us (private sector) going. I hope we all will continue to strengthen the relationship that has been built and, more important, expand the trust between us.</p>	<p>a. The Department appreciates this comment.</p>
<p>9. Lisen Bonnier, ALAB District 2</p> <p>I was reading the Economic Element, specifically the section Policy EE 2.3 that has to do with the Agricultural part of the Economic Cluster opportunities. I am very much in support of the re-write that COLAB and Farm Bureau did from the original document, nevertheless, I think it is missing vocabulary that is supporting Agricultural at large. After all, agriculture is the economic engine, but reading the paragraph, the emphasis seems to be on the non-agricultural activities. I believe just adding some very simple language could remedies this issue.</p> <p>Policy EE 2.3 Enable agriculture to remain economically viable by sustaining agricultural resources and by continuing to allow non-agricultural activities and uses in rural areas where supportive of agricultural uses, avoiding land use conflicts and consistent with the General Plan.</p> <p>Protection of agricultural resources, such as soil and water, is fundamental to agricultural economic viability. Where an agricultural use does not by itself generate adequate income to support the landowner, supplemental small business activities that occupy a small portion of the site may help preserve a farm or a ranch. Existing County plans, policies and ordinances allow such supplemental business activities, but limit their type and scale so that they do not diminish their site's agricultural potential or results in considerable land use conflicts with nearby agricultural activities.</p>	<p>The Department understands and agrees with the reasoning behind this comment, but does not wish to duplicate policies which existing in other elements such as the Agriculture Element or the Conservation and Open Space Element. Therefore, the Department does not agree to the recommended revisions.</p>

3-50-6

<p>10. Victor Montgomery, RRM Design Group</p> <p>a. Goal EE 4 – need to mention infrastructure as necessary support</p>	<p>a. The Department agrees. A reference to infrastructure will be added on page 1-4 under goal EE 4.</p>
<p>b. Policy EE 1.1</p> <ul style="list-style-type: none"> • Add an adjective in front of housing to indicate that the goal is “an adequate available supply of the housing types desired by the work force and affordable for them.” • Delete “the “Creative Class” or else define it clearly and be certain that this is not detrimental or prejudicial with regard to other “classes” – construction workers, service workers, manufacturing workers, etc. 	<p>b.</p> <ul style="list-style-type: none"> • The sentence in the text box under Policy EE 1.1 is intended only to briefly identify factors in support of “sustainable economic vitality,” not to include the level of criteria suggested by the commenter. • The phrase “Creative Class” will be deleted, but that does not reduce the importance of attracting “highly qualified and talented” persons who will contribute to the county’s economic vitality. This was not intended to suggest that other workers will not be needed.
<p>c. Policy EE 1.2</p> <ul style="list-style-type: none"> • If the goal is enhancing the quality of life for County residents - What Economic Development Activities will be pursued? Is there any specific vision or direction for an activity or activities to pursue? Will we pursue just anything? Will we prioritize pursuit the six sectors identified by the EVC? The explanation statement is too vague to be meaningful in terms of what actions to take, directions to set or priorities to follow. 	<p>c.</p> <ul style="list-style-type: none"> • The intent of Policy EE 1.2 is simple but broad: the quality of life of county residents can be enhanced through economic development activities. The overall approach of the draft Economic Element is not to have government spell out and implement economic development. Instead, the County and its private, public and nonprofit partners should collaborate to identify specific actions in support of a healthy economy.
<p>d. Policy EE 1.3</p> <ul style="list-style-type: none"> • Should the General Plan for the County (our vision for the long-term future) be limited solely to what may be accomplished by reliance solely upon “available” resources? The use of the word “available” implies availability at the present time (see comment below). • Why is this Policy silent on the notion of acquiring additional resources? In the past the County has had the foresight to acquire additional available resources such as Nacimiento Water and State Water well before the need was present. Today we depend heavily upon those resources acquired through the wisdom of County leaders. Add “and where necessary through acquisition of available additional resources.” 	<p>d.</p> <ul style="list-style-type: none"> • Agreed. Increasing “the capacities of available resources, especially water” is consistent with the text box. Another policy (EE 4.4) covers infrastructure investment coordination. However, the Department agrees to add the following sentence to the text box: <p>“Resource capacity is not static and will change over time as resources are consumed and as new resources are made available.”</p> <p>Also, a margin entry will be added noting recent capacity building projects (Nacimiento Water Project and the Willow Road Project).</p>

3-50-7

Victor Montgomery comments (continued)	
<p>e. Policy EE 1.6</p> <ul style="list-style-type: none"> Perhaps rather than using solely County employed staff another more creative solution may be available by sharing staff resources with an existing or future Economic Development agency (agencies) such as the EVC, Chambers of Commerce, Tourism Board, and/or University. 	<p>e.</p> <ul style="list-style-type: none"> This policy does suggest limiting economic development activities to county staff. The text box will be revised to clarify the point that having staff trained in economic development can enable partnerships with the EVC and other local groups to pursue economic opportunities.
<p>f. Policy EE 1.7</p> <ul style="list-style-type: none"> Presumably this Policy applies to the "plans, policies and projects" of the County and other government agencies as well as to private projects. How will this policy be applied to projects proposed (or opposed) by County Service Districts (CSDs)? In our County, significant portions of the provision of infrastructure and thereby the ability to implement planning direction are controlled by these agencies. The direction from CSDs (or lack thereof) can support, thwart and/or derail County Planning direction. This is certainly true in large unincorporated portions of the County such as Nipomo where strategic growth is targeted by the County but may be misunderstood and/or opposed by residents and the CSD board(s). 	<p>f.</p> <ul style="list-style-type: none"> The policy is intended to apply to County-initiated projects and those of private parties. It can be applied to other governmental agencies only if the County has authority to require it. The comment is valid. It appears to suggest that the County should require community services districts (CSDs) to prepare economic analyses of their projects and plans. The policy is intentionally written broadly enough to accommodate such an application where the County has the regulatory authority.
<p>g. Policy EE 1.8</p> <ul style="list-style-type: none"> This policy is silent on a crucial strategic element of providing more opportunities to minimize worker and employer vehicle trips. The key missing strategy is to provide an adequate supply of available, readily developable commercial land with adequate infrastructure available in close proximity to land designated for development of housing sufficient to meet the needs of the identified commercial development areas. 	<p>g.</p> <ul style="list-style-type: none"> Agreed. The last sentence in the text box under this policy will be revised to read as follows: "Another strategy might be to revise plans and ordinances to improve the jobs/housing balance by designating complementary commercial and residential land uses and by improving the feasibility of such developments."
<p>h. Policy EE 2.2</p> <ul style="list-style-type: none"> Delete the word "existing". This inhibits creative, strategic and visionary forward thinking about the future of our communities and the Economy of our County. Existing plans, policies and ordinances are often the problem (or a portion of the problem or contributors to the problem) encountered in implementation of the Economic Strategy. 	<p>h</p> <ul style="list-style-type: none"> The Department disagrees with this comment. The Economic Element of the County General Plan should not encourage the business community to implement its strategy in ways that are inconsistent with other existing County plans, policies and ordinances. Nevertheless, it may be appropriate for the business community to request that the County revise its plans, policies and ordinances to address obstacles to implementing the countywide Economic Strategy. Finally, the proposed revisions are intended to be complementary of the Economic Strategy, not inhibitive.

3-50-8

Victor Montgomery comments (continued)	
<p>i. Policy EE 2.3</p> <ul style="list-style-type: none"> Interestingly and ironically, in light of the language of this goal, the County is in the process of dismantling an award winning, creative County Policy that has resulted in significant increases in Ag productivity and concurrent preservation of Open Space, the Ag Cluster Ordinance. The County should rethink its recent direction on the revisions to the Ag Cluster ordinance. 	<p>i.</p> <ul style="list-style-type: none"> The comment is noted.
<p>j. Policy EE 3.1</p> <ul style="list-style-type: none"> Add "existing and/or newly designated" before the word residential in the policy discussion. We concur with the intent of this policy to encourage "pre-plan" these areas including land use and infrastructure planning. Good job! 	<p>j.</p> <ul style="list-style-type: none"> The comment is appreciated, but the phrase "existing and/or newly designated" is not necessary. "Newly designated" residential areas would still be covered by the existing language in the text box.
<p>k. Policy EE 3.2</p> <ul style="list-style-type: none"> Add "and Urban expansion" between the words "urban" and "can" in the discussion box. 	<p>k.</p> <ul style="list-style-type: none"> The text box will be revised to clarify that urban areas can be expanded and still be consistent with this policy (for compact urban development).
<p>l. Policy EE 3.3</p> <ul style="list-style-type: none"> This Policy and the discussion thereof should be expanded to include the necessity for both land use planning and infrastructure planning. This policy should also include encouraging the concurrent planning and coordination of development of CSD and County Capital Improvement Plans for infrastructure, including the potential to look for potential joint funding or grant application opportunities and the ability to leverage the County, City and CSD capital capacities and financing mechanisms. 	<p>l.</p> <ul style="list-style-type: none"> Agreed. A text box will be added to capture this comment.
<p>m. Policy EE 3.6</p> <ul style="list-style-type: none"> We have suggested for several years that readily available locations for businesses to locate should be highlighted on the County/Planning department web site. With the County GIS system this should be relatively simple to do. It could be a map by community showing vacant sites, with existing commercial/industrial zoning, environmental review completed, etc. An example of this is the Business Park located at The Woodlands. Business owners often want to do this type of research but do not know how to navigate the County GP and Development Ordinances. 	<p>m.</p> <ul style="list-style-type: none"> Good point. The Department will look into the suggestion separate from the Economic Element update.

3-50-9

Victor Montgomery comments (continued)	
<p>n. Policy EE 3.8</p> <ul style="list-style-type: none"> This policy should acknowledge the need to coordinate early in the GP update process with CSDs and to develop coordinated infrastructure programs to encourage fulfillment the County's Vision as expressed in the County GP. If the County wants CSDs, or Cities to accept growth the County will need to consider how services and infrastructure are funded and may need to contribute to CSD/City service and infrastructure funding. This is particularly true for annexations to Cities. The current tax sharing agreement between the Cities and County is a strong disincentive to accept additional growth because the City is expected to provide all of the infrastructure and services for the annexation but only get 34% of the tax revenue from the annexed area. 	<p>n.</p> <ul style="list-style-type: none"> The Department agrees with this comment as it relates to community services districts. The text box under Policy EE 3.8 will be revised to note that coordination with affect community services districts is an essential part of preparing public facilities financing plans. The commenter's previous letter regarding the County's tax sharing practice has been referred to the County Administrative Office for consideration separate from the Economic Element update.
<p>o. Policy EE 4.4</p> <ul style="list-style-type: none"> This policy language (not just the discussion) should be revised to specifically address the need for better communication and coordination between the CSDs and the County in preparation and integration of Capital Improvement Plans. A "comprehensive capital improvement plan" cannot be achieved without this cooperation and integration. Absent strong cooperation and an integrated approach County Strategic growth Plans may be frustrated by "local" CSD decisions that fail to plan the needed infrastructure. 	<p>o.</p> <ul style="list-style-type: none"> The Department agrees with the comment but believes the text box already covers it. The policy itself was intentionally written broadly to allow the County, cities and CSDs to continue collaboration designed to culminate in a comprehensive capital improvement program.
<p>p. Policy EE 4.5</p> <ul style="list-style-type: none"> The first step in providing housing opportunities is to provide sufficient land designated for residential use and concurrently plan to provide adequate infrastructure to serve the identified land. The Economic and Housing Elements have identified the need for additional land designated for residential use for at least a decade with no significant action taken by the County to address the issue and provide more land appropriately designated. 	<p>p.</p> <ul style="list-style-type: none"> Comment noted.
<p>q. Policy EE 4.6</p> <ul style="list-style-type: none"> See our comments about Policy 3.8 regarding the existing City/County tax sharing agreement. 	<p>q.</p> <p>The commenter's previous letter regarding the County's tax sharing practice has been referred to the County Administrative Office for consideration separate from the Economic Element update.</p>

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**Exhibit LRP2011-00014:D –
Responses to comments
on public review draft Economic Element**

3-52**Part I: Comments from agencies**

Comments	Responses
<p>1. City of Atascadero: The City noted that the County's existing tax exchange policy resulted in a recent major proposed annexation and development project posing a fiscal loss to the City, since most of the tax revenue from this annexation area would be retained by the County. The City encourages the County to revisit this policy to better enable the City to cover its costs for city services needed for such annexations.</p>	<p>The Planning and Building Department acknowledges the difficulty cities face supporting needed services in an era of limited public finances. However, the Department does not propose to add language to the Economic Element to address this specific issue. The City's comment letter has been forwarded to the County Administrative Office for further review and discussion outside of the Economic Element update.</p>
<p>2. SLO County Department of Agriculture: This county department requests that the proposed Policy EE2.3 be revised as follows (revision in <i>Italics</i>): Policy EE 2.3: Enable agriculture to remain economically viable by continuing to allow non-agricultural activities and uses in rural areas where supportive of agricultural uses, avoiding land use conflicts and <i>protecting agricultural resources</i> consistent with the General Plan</p>	<p>The Department does not agree with the requested revision, since protection of agricultural resources is addressed generally by the Agriculture Element and more specifically by AGP 6 in the Agriculture Element.</p>

Part II: Comments from organizations

<p>3. Agricultural Liaison Advisory Board (ALAB): ALAB recommends the following revision to the proposed Policy EE 3.7: (note – the ALAB letter Policy EE 3.8, but the content reflects EE 3.7): Policy EE 3.7 Encourage increased local access to locally grown, produced or provided goods and services.</p>	<p>The Department agrees with the requested revision.</p>
<p>4. Grower/Shipper Association: This organization made several recommendations and two commendations: a. It recommended revising Policy EE 2.4 as follows: Policy EE 2.4 "Continue to develop a diverse, countywide tourist industry that relates to the historical, cultural, recreational, <i>agricultural</i> and natural attractions of the County." b. It recommended the same revision as shown above for ALAB. c. It recommended revising Policy EE 4.5 as follows: "Provide housing opportunities for worker households of all income groups, <i>including farmworker housing</i>." d. It requested that Appendix A be revised to separate</p>	<p>The Department responses are as follows: a. The Department agrees with the requested revision. (Re Policy EE 2.4) b. The Department agrees with the requested revision. c. The Department agrees to add a text box under Policy EE 4.5 to clarify that farmworker housing is needed, but does not support adding the requested text to the Policy itself, since it is intended to refer broadly to all types of worker households. d. The Department does not agree with this recommendation, since Appendix A is excerpted from the SLO County Cluster of</p>

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<p>"Uniquely SLO" section into two sections, one for "Wine and Agriculture" and the other "Recreation and Accommodation."</p> <p>e. It commended proposed Policies EE 2.3 and EE 4.2.</p>	<p>Opportunity Economic Strategy prepared by the business community and coordinated by the Economic Vitality Corporation. The Department will add text clarifying this point.</p> <p>e. The Department appreciates the commendation.</p>
<p>5. Home Builders Association of the Central Coast (HBACC)</p> <p>The HBACC submitted a detailed letter with 20 comments, which are listed here as presented in its letter:</p> <p>a. The Home Builders Association appreciates having a chance to review the Public Review Draft Economic Element. While this is an improvement of the initial draft, we remain disappointed. This draft still seems more like another in a long list of recent San Luis Obispo County policy documents that focus on environmental and resource protection, including the Strategic Growth Principles added to the county General Plan, Conservation and Open Space Element, Climate Action Plan and others. There seems little progressive thinking about how to spur economic development. The draft pays little mind to housing's role in economic development, as if jobs and economic growth can occur without also creating more housing for new workers to go to after a work day. Residential growth seems to be treated like a dirty word that the draft tries to avoid using. People moving here for jobs and their children will increase the need for more housing. Ignoring reality won't change it. In addition, we have noticed in our past comments, the county responds more to questions than observations and information requests. That is a mistake. Not all commentary can be rendered as a question. Please respond to all types of comments.</p>	<p>The Department responses are as follows:</p> <p>a. Under state law, elements of a general plan must be internally consistent, so dramatic departures from existing general plan policies cannot be proposed in one element without also amending the others. Housing is only one factor supporting economic vitality; therefore, it is not the primary theme of the Economic Element (or of the EVC's Economic Strategy). Please see the County's Housing Element for goals and policies relating to housing.</p> <p>Nevertheless, housing and other issues raised by the HBACC are important enough to warrant some revisions to be included in the Planning Commission draft. Revisions which are responsive to the HBACC comments:</p> <ul style="list-style-type: none"> • Pg 1-1, 1st paragraph (per HBACC comment #b) • Pg 1-2 (per HBACC comment #d) • Pg 2-2, Policy EE 1.2 text box (per HBACC comment #i) • Pg 2-2, Policy EE 1.3 text box (per HBACC comment #j) • Pg 2-3, Policy EE 1.5 (per HBACC comment #k) • Pg 2-7, Policy EE 3.2 (per HBACC comment #o)
<p>b. Page I-I, first paragraph- The draft begins by ignoring housing's role in "economic vitality." The first sentence states: "Economic vitality is critical to sustaining a vital community and high quality of life, driving a dynamic cycle that produces revenues for public services and amenities, jobs for residents, and projects and services for the local population." It also includes housing to meet the needs of job holders.</p> <p>1. We suggest ending the paragraph with "jobs and housing for new and existing residents, and projects and services for the local population."</p>	<p>b. Yes, housing is an important factor contributing toward and resulting from economic vitality. The sentence identified by this HBACC comment will be revised to read as follows:</p> <p>"Economic vitality is critical to sustaining a vital community and high quality of life, driving a dynamic cycle that produces jobs for residents, revenues for public services and amenities, projects and services for the local population, and housing for the workforce."</p>

3-54

HBACC comments (continued):	
<p>c. Page 1-1 bullets under paragraph two- The same hitch as Point I above. Bullets reference "identifying strategies for retaining existing businesses and attracting new ones" and "expanding diverse employment opportunities for current and future workers," but ignores housing to serve future economic growth.</p> <p>1. We suggest adding a bullet point that states: Creating a housing supply to meet the diverse needs of the workforce and general county residents</p>	<p>c. The bullets do not exclude housing as a consideration. For example, provision of housing could be part of a strategy for retaining and attracting businesses.</p>
<p>d. Page 1-2, What is the Economic Element? – The two paragraphs should be in reverse order. The second graph answers the question. The first paragraph is explanatory</p>	<p>d. The Department appreciates the comment and will make changes in the element to address it.</p>
<p>e. Page 1-4 Basic Building Blocks of the Plan, second paragraph – This paragraph should be removed. It has nothing to do with economic development and only references "public health, safety and general welfare." It is not part of an economic development strategy.</p>	<p>e. The Department does not agree with this comment. The purpose of economic development in a public plan is to promote the public health, safety and general welfare through jobs, goods and services, and revenue for public services.</p>
<p>f. Page 1-4, Goal EE 1- The goal states: "Promote a strong and viable local economy by pursuing policies that balance (the) economic, environmental and social needs of the county." While we support meeting all three needs, the county has General Plan elements and land use policies that focus on environmental and social needs. This element is "the one" that should highlight economic development. In this three-legged stool, economic growth remains the weak sister in county planning. This draft will continue to consign economic development to its inferior status. Where is the balance? How will it be created and maintained?</p> <p>1. We suggest that the goal should state: "Promote a strong and viable local economy."</p> <p>2. We suggest removing the next paragraph about the environment and social factors. This is supposed to be a document about economic development.</p>	<p>f. The Land Use Element also includes goals and policies that support economic development. The goals and policies of the proposed Economic Element could be invoked in the future during consideration of ordinance or plan amendments, as well as physical development projects, as the County seeks to strike a balance between economic, environmental and social needs. The ad hoc working group representing the six clusters assembled with the help of the EVC discussed this issue and recognized the importance of balance between economy, environment and equity as expressed in Economic Element Goal EE 1. Nonetheless, the Department will revise the sentence under this goal to read as follows: "Environmental and social factors are important, but economic vitality is equally important in contributing toward the county's quality of life."</p>

3-55

HBACC comments (continued):

<p>g. Page 1-4, Goal EE 3 –This goal states that “Economic development ... should be located in or near existing cities or unincorporated communities ... and areas approved as new urban reserves and villages in the county Land Use Element, to facilitate access to existing infrastructure and economic support systems as well as protect the natural environment of rural areas.” This goal:</p> <ol style="list-style-type: none"> 1. Repeats General Plan environmental goals from in the Conservation and Open Space Element and Framework for Planning; 2. Supports smart growth, not economic development; and 3. Perpetuates the myth the county repeatedly spreads that there are urban areas with the necessary infrastructure and the political will to accept additional economic and residential growth. 4. We suggest rewriting the first sentence as follows: “Economic development ... should strive or be encouraged to locate in or near existing cities....” 	<p>g. The primary point here is that economic development in urban areas can benefit from existing and/or cost-effective infrastructure, plus other support systems such as supplies and local employees. These are some of the reasons why the County’s General Plan has, since 1980, included provisions requiring commercial and industrial zoning to be located within urban areas. Strategic growth (or smart growth) principles are not mutually exclusive from economic development. And finally, county policies do not support unlimited development of homes in rural areas because of the lack infrastructure, emergency services and sufficient groundwater resources. The Department does not deny that existing urban areas are faced with infrastructure challenges. However, the existing urban areas include infrastructure systems which can be expanded to accommodate new economic growth. The Department disagrees with the recommended revision as it would weaken an already passive policy.</p>
<p>h. Page 2-1, Goal EE 1: This is supposed to be a General Plan section about economic development, not about environmental and social balance. They are addressed elsewhere in the General Plan. This goal should be rewritten to say: “Promote a strong and viable local economy.”</p> <ol style="list-style-type: none"> 1. Or remove this goal since it would say the same as revised goal EE 1 on Page 1-4 above. 	<p>h. See item f above.</p> <ol style="list-style-type: none"> 1. The four goals were listed toward the end of chapter 1 as a summary, or preview, of the goals and their associated policies which are described in Chapter 2.
<p>i. Page 2-2, Policy EE 1.2-The brevity of the explanatory text after the goal is revealing. “While it is important to protect the environmental features that make San Luis Obispo County a desirable place to live, it equally important to nurture a strong local economy to provide well-paying jobs for county residents and <i>public revenue</i> to support <i>needed local public services</i> (italic emphasis added).” It is as important to create homes for those workers and to fund necessary infrastructure. It would be a good economic development goal to encourage more residential zoning in urban areas to make workforce housing more achievable. Are public revenues and services or economic development the goal of the Economic Element?</p> <ol style="list-style-type: none"> 1. We suggest rewriting the explanatory text as follows: “It is important to nurture a strong local economy to provide well-paying jobs for county residents and public revenue to support needed local public services.” 	<p>i. Economic elements commonly identify well-paying jobs for residents and <i>public revenue</i> to support <i>needed local public services</i> as key goals of economic development. Nonetheless, staff can support revising the text box as follows:</p> <p>“While it is important to protect the environmental features that make San Luis Obispo County a desirable place to live, it is equally important to nurture a strong local economy to provide well-paying jobs for county residents, <i>housing for the workforce</i>, and public revenue to support needed local public services.”</p> <ol style="list-style-type: none"> 1. The Department does not agree with this recommended revision because it omits the important point that a strong economy is just as important as environmental protection.

3-56**HBACC comments (continued):**

<p>j. Page 2-2, Policy EE 1.3-Here is the <u>fatal flaw</u> in the county's land use, environmental and economic development policies, goals and efforts. The goal states: "Balance the capacity for growth with the efficient use or reuse of available resources (energy, land, water, and infrastructure)." This goal seems intended to stop or slow residential development. Stopping housing will not stop population growth or resource use.</p> <ol style="list-style-type: none"> 1. While new residential construction has slowed significantly in the last half decade, county population growth has continued. The county normally houses 2.4 people per household. In the last five years, the county population growth rate (according to Beacon Economics) has been 5.8 people per new home built. That adds to the infrastructure and resource burden without generating impact fee revenue from new housing to serve that population increase. 2. The explanatory text says that "the amount of all types of potential new development envisioned in the Land Use Element should not exceed the amount of development that can be supported within the capacities of available resources, especially water." <ol style="list-style-type: none"> i. How does the county plan to stop children from being born, getting married, and wanting a home of their own or to prevent businesses from expanding? 3. We suggest removing the explanatory text about smart growth and add in wording that states: "In order to address existing resource and infrastructure and resource constraints, the county should pursue supplemental water in all forms, including desalination, seek federal and state grants and all other possible revenue sources to pay for fixing existing infrastructure deficits, and rezone residential land to meet the housing needs today ongoing." 	<p>j. The Department does not agree with the HBACC analysis of this policy. The County cannot ignore resource and infrastructure limitations. This policy is not intended to stop or slow residential development. The narrative in the accompanying text box clarifies that resources should be enhanced in order to support new development and offers suggestions on how this could be accomplished.</p> <ol style="list-style-type: none"> 1. The Department agrees that new housing supply is needed. 2. The County can influence population growth only indirectly by facilitating development of new housing and jobs. 3. Increasing "the capacities of available resources, especially water" is consistent with the text box. Another policy (EE 4.4) covers infrastructure investment coordination. However, the Department agrees to add the following sentence to the text box: <p>"Resource capacity is not static and will change over time as resources are consumed and as new resources are made available."</p> <p>Also, a margin entry will be added noting recent capacity building projects (Nacimiento Water Project and the Willow Road Project).</p>
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3-57**HBACC comments (continued):**

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| <p>k. Page 2-3, Policy EE 1.5-This is very poorly thought out. There is nothing in this segment that recognizes or protects private property rights.</p> <ol style="list-style-type: none"> 1. How do you imagine the three sub points will actually implement the policy? <ol style="list-style-type: none"> i. How are my property rights protected if I must balance them with "efforts to plan for the community"? This means that the community has as much right to use my property as I do. How does that protect my property rights? Who determines what a balance is? How is that determination made? Who do I appeal to if the balance is imbalanced? ii. How will the county define what is a taking and just compensation? If you won't let me use my land the way I want in a way that makes financial sense but you make me develop what the community wants that doesn't make financial sense, what is my compensation for undervaluing my land? Has the county ever awarded just compensation to any property owner without being sued first? iii. How can my property rights be protected if individuals or groups who don't live on or near my land have the same rights I do "to participate in planning and land use decisions"? How can giving everyone the same rights I have protect my property rights? <ol style="list-style-type: none"> (a). How does giving everyone equal control of my land encourage economic development? 2. If you want to "Recognize and protect private property rights," the county should guarantee: <ol style="list-style-type: none"> i. Private property owners have the right to use their property for non-criminal enterprises; ii. The right to use private property as it is zoned in the General Plan without needing a public hearing since the General Plan was approved after a public hearing; and iii. Property owners the right to use their land in the same manner and density as neighboring property 3 If you will not change this policy, then we recommend totally eliminating it since it says absolutely nothing about recognizing or protecting private property rights. | <p>k. This policy, which merely reminds all parties that property rights must be recognized, has been in place since 1999. This is the first time it has been identified it as a problem.</p> <ol style="list-style-type: none"> 1. <ol style="list-style-type: none"> i. Property rights in California are set through the state constitution and the county is a subdivision of the state. ii. Taking and compensation have been determined through the courts and state law iii. Land use planning in California is a participatory process – the requirements for public participation in land use decisions are set through state law. 2. <ol style="list-style-type: none"> i. No guarantees as some uses require public hearings and could be denied based on the findings set forth in the ordinance ii. Some uses require a public hearing. However, the County supports "master-planning" as a strategy for addressing development issues in advance so that a hearing will not be required when the property owner is ready to development a site. iii. Density and allowable uses are set through the land use category that is placed on the property. 3. The Department believes it is appropriate in the Economic Element to acknowledge the importance of protecting private property rights. The Department will add a text box noting that protection of private property rights helps encourage private investment, which in turn, contributes to economic vitality. |
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3-58

HBACC comments (continued):	
<p>l. Page 2-3, Policy EE 1.7-Why restrict economic impact analysis to "projects of regional significance"?</p> <ol style="list-style-type: none"> 1. Who will determine what is regionally significant? 2. An economic element be should be concerned with the economic impacts of all developments on the community and impacts county policy has on economic development; 3. The explanatory text notes: "incurring the costs to produce this economic information may not be warranted in all cases." <ol style="list-style-type: none"> i. Who will determine when it is warranted? ii. What standards will be used to make that determination? iii. How will the county pay for obtaining that information or will it charge the applicant? 	<p>l. It does not make sense in <u>every</u> case to complete a costly economic impact analysis. Some actions are minor. Local government has a responsibility to its tax payers to be fiscally responsible when spending public revenue. This policy is intended to set an expectation that economic impact analyses will be prepared when warranted. The specifics such as criteria triggering the analyses, who will determine whether they are warranted, and who will pay have yet to be determined. The County and EVC are currently working together on these specifics. Once this policy is in place, then it will support formalizing procedures, criteria, and other specifics.</p>
<p>m. Page 2-4, Policy EE 1.8 --While we support reducing transportation impact fees for projects promoting alternate transportation, we want to know how the county plans to quantify this.</p>	<p>m. This a general plan policy, so it need not include a detailed methodology for quantifying potential impact fee adjustments. An approach for implementation will follow policy direction.</p>
<p>n. Page 2-6, Policy EE 3.1 -We support development by right. If a project is consistent with the General Plan, why also require a master plan? Why not reward consistency with approval? Why have a General Plan if following it still means you must do an EIR, have numerous public hearings, and do more planning?</p>	<p>n. The County's general plan is not detailed enough to fully satisfy the requirements of CEQA. The way to meet the requirements of CEQA, other than project-by-project review, is for a master plan or equivalent that addresses CEQA to the project level of detail.</p>
<p>o. Page 2-7, Policy EE 3.2 -This is another environmental smart growth policy shoehorned into an economic element. How does promoting smart growth stimulate economic development? Residential infill is more expensive to build, has small profit margins, and attracts a small market share.</p> <ol style="list-style-type: none"> 1. The explanatory text shows that this is a social and environmental policy, not an economic stimulus policy, when it notes that a "pattern of compact urban development can provide public benefits through minimized environmental impacts and increased health and social benefits (<i>italic emphasis added</i>). Is the purpose economic development or to provide public benefits and to increase health and social benefits? 2. Page 2.7, Policy EE 3.2: We suggest rewriting this to state: "Foster and encourage development that is close to existing infrastructure and development." 	<p>o. The primary intended point here is efficiency of infrastructure investment in compact development. The added text helps show consistency with other elements of the general plan.</p> <ol style="list-style-type: none"> 1. And yes, in the context of the county general plan, the purpose of economic development is to provide public benefits. 2. The Department agrees with the recommended revision to Policy EE 3.2.

3-59**HBACC comments (continued):**

<p>p. Page 2-7, Policy EE 3.4-This policy seems nonsensical. Why would someone build a business or a home for sale in an area where shopping and purchasing power would be limited by high unemployment?</p> <ol style="list-style-type: none"> 1. You are again confusing goals by pushing a social agenda instead of an economic development; 2. Does the county think lenders will be interested in investing in high unemployment areas? 3. The unemployment rate will likely change during the half-decade the public approval process frequently takes. 4. We suggest rewriting this policy as follows: "Encourage economic development that will provide employment opportunities in existing communities." 	<p>p. The point was that creation of jobs in a community with high unemployment could be good for the public, especially if those new jobs could be filled by local residents. This policy was not intended to focus exclusively on retail jobs or homes, but on other job-generating businesses.</p> <ol style="list-style-type: none"> 1. In the context of local government policies, economic development is highly connected to social needs. 2. Yes, lenders for job-generating businesses may be interested in lending in high unemployment areas. 3. The precise unemployment rate is not relevant, and if the relative unemployment rates of various communities change, then the focus of this policy would shift as well (without the need to revise the policy itself). 4. The Department does not support the recommended revision.
<p>q. Page 2-10, Policy EE 3.8-The HBA supports this policy. We encourage the county to begin implementing it immediately, particularly if it wants to promote in fill.</p>	<p>q. The Department appreciates this comment. The County began implementing it with the Shandon Community Plan update and will implement it with other communities (such as San Miguel).</p>
<p>r. Page 2-12, Policy EE 4.4-The HBA supports infrastructure investment based on real world economics, including what housing types people want to invest in, not on implementing arbitrary county policies. If infrastructure investment is based on implementing General Plan policies that do not reflect realistic market analysis, the limited amount of money available for infrastructure will not be used cost-effectively.</p>	<p>r. The Department agrees with this comment.</p>

3-60**HBACC comments (continued):**

<p>s. Page 2-12, Policy EE 4.5-It is revealing how little this element mentions housing. Here we have all of 10 words about "housing opportunities."</p> <p>1. Equally revealing is the lack of supporting bullet points and explanatory text. If the county wants housing to support economic development, it should:</p> <ul style="list-style-type: none"> (i). Rezone land inside and adjacent to urban areas for more housing; (ii). Support development by right as noted and explained above; (iii). Guarantee residential densities in the General Plan; and (iv). Expand the revenue stream to support affordable housing so everyone contributes toward meeting this community value instead of placing the whole burden on new home builders and buyers. 	<p>s. This is the Economic Element, so its primary focus is not housing. The Housing Element addresses housing issues. As noted earlier, a number of revisions to the element will be proposed in response to the HBACC comments.</p> <ul style="list-style-type: none"> (i). The Housing Element already includes a policy and program regarding the need to designate (rezone) more land for housing; (ii). The Department supports the concept of master-planning to complete CEQA requirements in advance of development applications; (iii). The Department also supports the concept of minimum densities, although a previous proposal to require minimum densities generated uniformly negative reaction by existing residents; and (iv). This comment does not specify how the County should expand the housing revenue stream. Possible mechanisms include an housing impact fee on all permits (even for a single home) and voter approval of tax increases. These options will be evaluated more as part of the next Housing Element update.
<p>q. It is our hope that the county will rewrite this document so it takes an approach that focuses on supporting economic development instead of making this just another hammer to force smart growth seemingly on everyone and every project. An Economic Element really should recognize and react to real world market forces.</p>	<p>q. Your comment is noted. This draft element was written with significant input from the members of the business community representing the six clusters identified in the EVC's Economic Strategy. It was not written with the intent to create additional restrictions on businesses or development.</p>

6 Wine Country Alliance

- a. Chapter 1, page 1-3 side bar: In review of the EVC publication for the Clusters of Opportunity, we offer the proposed revised wording for the description of the Uniquely SLO Cluster:
- To brand and promote the unique attributes of SLO County by way of wine, agriculture, recreation, accommodation, and other regional specialty products and services for tourism, increased local spending, and higher visibility in domestic and global markets.

The Department responses are as follows:

- a. The Department appreciates the effort of the Wine Country Alliance to improve this language, however, the wording in this margin area of the element was taken directly from the Economic Vitality Corporation's SLO County Clusters of Opportunity Economic Strategy as displayed on the EVC website. The Department defers to the EVC and the business clusters for the wording of the Uniquely SLO Cluster.

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PCL XL error

Subsystem: TEXT

Error: IllegalFontData

Operator: Text

Position: 41206

3-62

**Exhibit LRP2011-00014:E –
Comment letters on public review draft
Economic Element**

3-63



CITY OF ATASCADERO

June 13, 2012

Dana Lilley, Supervising Planner
San Luis Obispo County
Department of Planning & Building
976 Osos Street, Room 200
San Luis Obispo, CA 93408

**RE: Comments on County Economic Element Update
LRP2011-00014**

Dear Mr. Lilley:

The City of Atascadero has received a referral regarding the County of San Luis Obispo's update to the Economic Element of the General Plan. The City has reviewed the draft amendments and would like to share some comments.

The proposed amendment to the County's Economic Element focuses on many important aspects of local business vitality and development. However, it is important to not only consider economic impact on the unincorporated County, but also the fiscal health of the San Luis Obispo community countywide, including direct and indirect impacts to incorporated cities and projects they are considering. The proposed Economic Element discusses supporting a countywide economic strategy through establishment of complementary goals and policies. However, current County policies regarding property tax exchange upon annexation are actually limiting potential new economic development and well planned residential development from occurring as the General Plan goals intend.

The City of Atascadero is currently processing a Specific Plan proposal which includes the future annexation and development of Eagle Ranch. There are currently 452 existing, undeveloped residential County lots within the Ranch, encompassing a 3,500 acre area directly southwest of the City within the Sphere of Influence. If annexed to the City, these existing residential lots would be reconfigured, allowing up to 800 clustered residential lots, some small neighborhood commercial areas, a network of multiuse trails and tourist serving amenities including a hotel and luxury guest ranch. The clustered redesign of the developable area would preserve almost 80% of the site as undisturbed open space. Consistent with the County's existing General Plan and proposed Economic Element, construction of the Eagle Ranch Specific Plan would provide a wide range of housing types for all income groups, including retirement and workforce housing, create head of household jobs, spur opportunities for energy efficient building industry, and demonstrate an efficient use of resources with the redesign of the existing lots. In addition, the project could have a tremendous positive economic impact on countywide tourism with the

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development of extensive recreational trails, tourist facilities and a world class resort hotel at the Ranch headquarters.

Unfortunately, the City has come across a major road block with the planning of this project. During a recent preliminary fiscal study of the project impacts, the City found that the current County tax share policy would make the project financially infeasible for City incorporation. The current countywide policy for tax exchange upon annexation states that the County will retain the existing property tax base, plus two-thirds of the future property tax increment for residentially zoned property. This policy was adopted by the Board of Supervisors in 1996, with provisions that it would be re-examined at five year intervals to ensure that the policies remain appropriate and current for all parties. However, this tax share policy is still being implemented, unchanged, with annexations throughout the County today.

With the Eagle Ranch project being primarily residential, and the timing of the construction of tourist amenities and hotels being so unsure in today's economy, according to our financial studies, the City would not be able to cover its costs to serve the proposed development under the existing County tax exchange policy. ***Upon annexation, the City would be providing 100% of the services to the development, but receiving less than one-third of the property taxes generated by the project.*** We have serious concerns about our ability to serve the project or how it may move forward under this scenario. As a result of this policy and others that may be like it, the economic benefits both short and long term, will not be received by the City or the County.

The City of Atascadero strongly encourages the County to revisit the current tax exchange policy as part of the process you are currently undergoing and restructure an agreement that either makes exceptions or findings for certain types of projects or enables the cities to cover their costs for fire, police and other services which would be taken on through annexation. The development of the existing 452 County residential lots as currently laid out would not be financially or economically beneficial to the County or the City, but the potential for a better project is hindered by the current tax policy and as such, the site cannot achieve its best potential from an economic perspective.

Please feel free to contact me at (805) 470-3400 if you have questions or if I can be of assistance. The City hopes to work through this issue with the County staff and the Board of Supervisors in order to create a new agreement which would be beneficial to all parties, and enable the development of this unique project and others like it to move forward.

Sincerely,



James R. Lewis
Assistant City Manager

Attachment: Master tax Agreement
Map of Existing County Lots
Preliminary Eagle Ranch Specific Plan Lot Layout

cc: W. Frace
W. McKinney

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048762

IN THE BOARD OF SUPERVISORS
COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA

Tues day April 23, 1996

PRESENT: Supervisors Evelyn Delany, Ruth E. Brackett, David Blakely, and Chairperson
Laurence L. Laurent

ABSENT: Supervisor Harry L. Ovitt

RESOLUTION NO. 96-158

**A RESOLUTION OF THE SAN LUIS OBISPO COUNTY
BOARD OF SUPERVISORS ESTABLISHING
A COUNTYWIDE POLICY FOR PROPERTY
TAX EXCHANGE UPON ANNEXATION**

96 APR 25 AM 9:42
CLERK OF SUPERVISORS
COUNTY OF SAN LUIS OBISPO

The following resolution is hereby offered and read:

WHEREAS, changing governmental fiscal relationships have required a modification to the earlier approach to determining property tax exchange between cities and the County upon annexation; and

WHEREAS, the extent and nature of this modification has been agreed upon through a process of negotiation between the cities and the County based upon a shared goal of producing a countywide tax exchange agreement that is fair to all parties; and

WHEREAS, a fair agreement is one that respects the following two principles: (1) that the County should not "profit" from annexations, nor should annexations result in a net fiscal loss to the County; (2) that tax exchange practices should not undermine good land use planning by discouraging cities from pursuing logical and appropriate annexations; and

WHEREAS, in order to provide objective data upon which to develop an equitable agreement, the cities commissioned an independent fiscal study of the impact of annexation and development of vacant lands around cities on County government; and

WHEREAS, the results of this study assisted in the development of a new countywide tax exchange agreement; and

WHEREAS, upon adoption of the agreement, the County and the cities will continue to collaborate on related matters of shared importance, including: (a) following adoption by the Board of Supervisors, reconsidering a countywide development impact fee program, which may include appropriate city impact fees for county development occurring in the unincorporated fringe of cities for which a clear City impact can be determined; and (b) support existing policies which encourage urban-like development within the boundaries of cities.

NOW, THEREFORE, BE IT RESOLVED, by the San Luis Obispo County Board of Supervisors:

1. For "raw land" annexations rezoned commercial or industrial, the County retains the existing property tax base and all of the future property tax increment.
2. For annexations rezoned residential, the County retains the existing property tax base and two-thirds (66%) of the future property tax increment.

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3. For commercial and industrial annexation areas already substantially developed, tax exchange will be negotiated on a case-by-case basis between the annexing city and the County to determine an appropriate property tax-sharing arrangement, based upon the principle of fiscal neutrality for the County.
4. For annexations pre-zoned agricultural, the County retains the existing property tax base and all of the future property tax increment.
5. The County and the cities agree to re-examine the above policies at five-year intervals to assure that they remain appropriate and current for all parties.

Upon motion of Supervisor Delany, seconded by Supervisor Blakely, and on the following roll call vote, to wit:

AYES: Supervisors Delany, Blakely, Brackett, Chairperson Laurent
 NOES: None
 ABSENT: Supervisor Ovitt
 ABSTAINING: None.

The foregoing resolution is hereby adopted.

LAURENCE L. LAURENT

Chairman, Board of Supervisors

ATTEST:

Julie L. Rodewald
 Clerk of the Board of Supervisors
 BY: CHERRY ASPRUH Deputy Clerk
 APPROVED AS TO FORM AND LEGAL EFFECT
JAMES B. LINDHOLM, JR.
 County Counsel

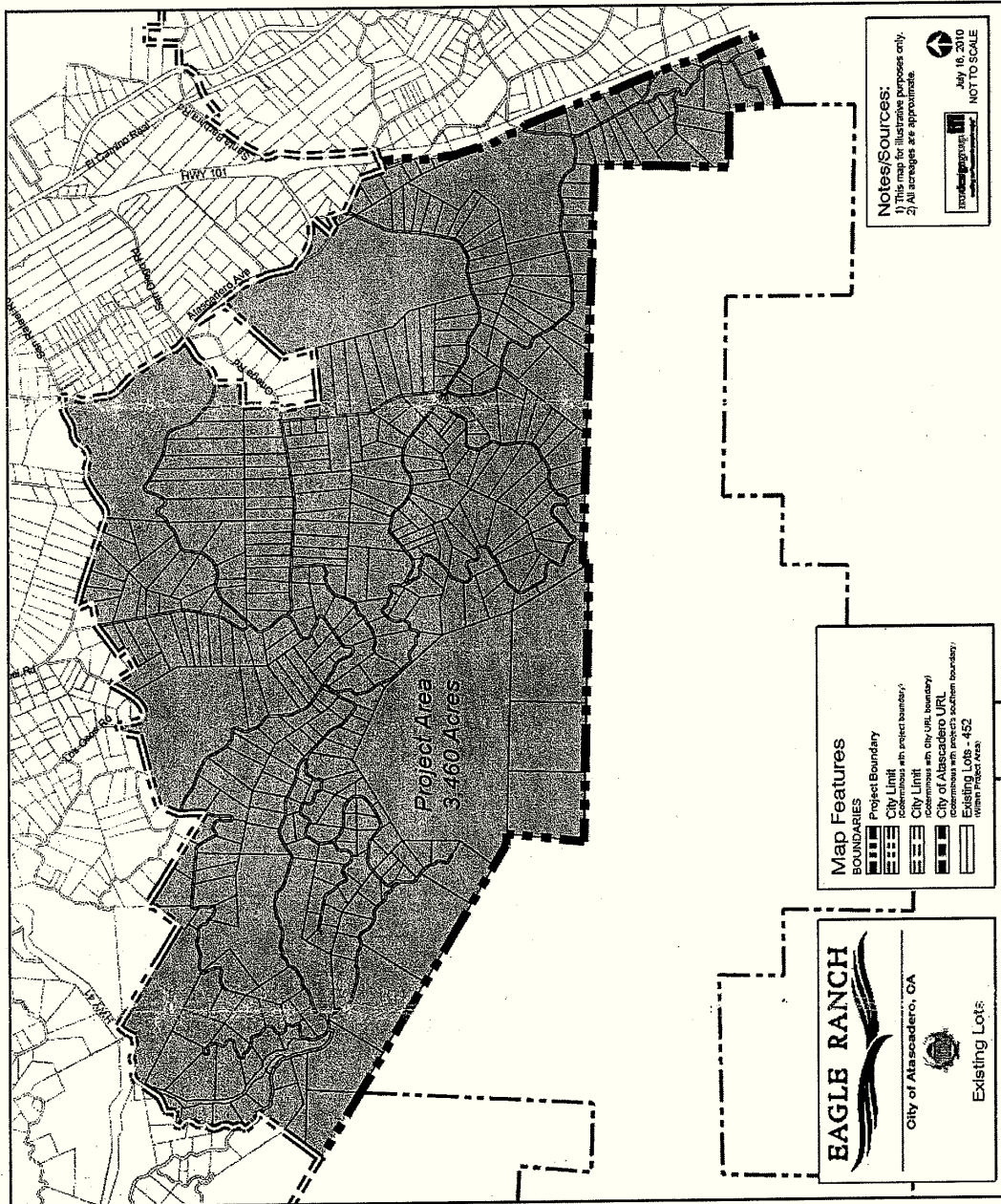
By: [Signature]
 Deputy County Counsel

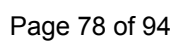
Date: 4/10/76

adm/annex3.six

STATE OF CALIFORNIA	
COUNTY OF SAN LUIS OBISPO } ss	
I, JULIE L. RODEWALD, County Clerk of the above notified County, and Ex-Officio Clerk of the Board of Supervisors thereof, do hereby certify the foregoing to be a full, true and correct copy of an order entered in the minutes of said Board of Supervisors, and now remain- ing of record on my office.	
Witness, my hand and seal of said Board of Supervi- sors this <u>24</u> day of <u>April</u> 19 <u>76</u>	
JULIE L. RODEWALD County Clerk and Ex-Officio Clerk of the Board of Supervisors	
By <u>[Signature]</u> Deputy Clerk	

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**COUNTY OF SAN LUIS OBISPO
Department of Agriculture/Weights and Measures**

2156 SIERRA WAY, SUITE A • SAN LUIS OBISPO, CALIFORNIA 93401 - 4556
MARTIN SETTEVENDEMIE (805) 781-5910
AGRICULTURAL COMMISSIONER/SEALER FAX: (805) 781-1035
www.slocounty.ca.gov/agcomm AgCommSLO@co.slo.ca.us

DATE: June 14, 2012

TO: Dana Lilley, Project Manager

FROM: Lynda L. Auchinachie, Agriculture Department

SUBJECT: Economic Element Update LRP2011-00014 (1649)

Thank you for the opportunity to review the proposed changes to the Economic Element. In general, the document has been streamlined and policies appearing in other general plan elements are proposed to be deleted in order to reduce redundancies. Because policies related to agricultural resource protection are proposed to be deleted from this document, the Agriculture Department recommends the following addition to the proposed Economic Element Policy EE 2.3 on page 2-5 to acknowledge the importance of agricultural resource protection.

Policy EE2.3

Enable agriculture to remain economically viable by continuing to allow non-agricultural activities and uses in rural areas where supportive of agricultural uses, avoiding land use conflicts and protecting agricultural resources consistent with the General Plan.

If you have any questions, please call 781-5914.

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County of San Luis Obispo Agricultural Liaison Advisory Board

2156 Sierra Way, Suite A
San Luis Obispo, CA 93401



**Agricultural Liaison
Advisory Board (ALAB)**

Positions/Members/Terms

CHAIR: Dee Lacey

VICE CHAIR: Jean-Pierre Wolff

District One: Mecham Appt.
Dee Lacey (1/13)

District Two: Gibson Appt.
Lisen Bonnier (1/15)

District Three: Hill Appt.
Tom Ikeda (1/13)

District Four: Teixeira Appt.
Bill Struble (1/15)

District Five: Patterson Appt.
Noah Small (1/13)

Ag. Finance Rep.
Mark Pearce (8/14)

Cattlemen Rep.
Dick Nock

Coastal San Luis RCD Rep.
Jean-Pierre Wolff (8/14)

Direct Marketing/Organic Rep.
Eric Michielssen (4/16)

Environmental Rep.
Richard Hawley (1/15)

Farm Bureau Rep.
R. Don Warden

Nursery Rep.
David Pruitt (4/16)

Upper Salinas-Las Tablas RCD Rep.
Charles Pritchard (1/14)

Vegetable Rep.
Claire Wineman (4/16)

Wine Grape Rep.
Neil Roberts (4/16)

County Agricultural Commissioner
Marty Settevendemie
Ex-Officio

U.C. Coop. Extension Farm Advisor
Mary Bianchi
Ex-Officio

DATE: June 4, 2012

TO: Dana Lilley, Planning Department

SUBJECT: ALAB Recommendations Regarding the Economic Element

Thank you for your presentation and the opportunity to provide comments regarding the Economic Element Public Review Draft. After your departure, ALAB members continued discussing the importance of our agricultural export market and their concerns of how this information should be reflected in the Economic Element. Discussions resulted in an adopted motion recommending the addition of a separate paragraph indicating support for our export markets. After further discussions, ALAB member unanimously supported a recommendation to revise Policy EE 3.8 to address the export issue. The recommended policy revision is as follows:

Policy EE 3.8

Encourage increased ~~local~~ access to locally grown, produced or provided goods and services.

Thank you for your consideration of this recommendation.

Sincerely,

Jean-Pierre Wolff
Vice Chair

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June 15, 12

Mr. Dana Lilley
Department of Planning and Building
County Government Center
San Luis Obispo, CA 93408

Re: Comments on "Public Review Draft Economic Element"

Dear Mr. Lilley:

Thank you for the opportunity to review and comment on the Draft Economic Element. We appreciate the efforts of those who have developed the Economic Element thus far and recognize the importance of this optional element. We would like to commend several of the specific policies and clarifying language and offer several suggestions for improvement.

Recommendations

- **Policy EE 2.4. We recommend adding "agricultural" to the list of attractions.**
 - Comment: Agritourism represents an important opportunity for some agriculturalists, as is alluded to in Policy EE 2.3.
- **Policy EE 3.7. We proposed the following wording developed by ALAB: "Encourage increased local access to locally grown, produced, or provided goods and services."**
 - Comment: Local access is important but so is a vibrant export market. Essentially every commercial commodity, from vegetables to strawberries to beef to wine to nursery products, produces more than the local market can consume. It is essential to recognize how important both local and export markets are to local producers.
- **Policy EE 4.5. We recommend adding "including farmworker housing."**
 - Comment: Severe shortages in willing and skilled labor challenge the future of specialty crop production. Guest worker programs may increasingly fill this need for a labor force and having the space and planning framework to support the required provision of housing will be essential in meeting this need.

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GROWER-SHIPPER ASSOCIATION OF SANTA BARBARA AND SAN LUIS OBISPO COUNTIES

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Recommendations, continued

- **Appendix A.** We recommend separating the “Uniquely SLO” section into separate sections for “Wine and Agriculture” and “Recreation and Accommodation.”
 - **Comment:** It is unclear that Appendix A is a summary of the EVC’s study—this should be clarified. We find it appropriate to separate the aforementioned clusters of opportunity for inclusion in the Economic Element. These are very different industries with distinct factors shaping supply and demand. We believe that is more appropriate to have 7 clusters than 6 clusters that combine 2 disparate economic sectors.

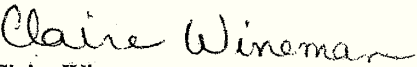
Compliments

We would like to commend the following items in the Economic Element:

- **Policy EE 2.3.** Diverse sources of income is very important for some producers.
- **Policy EE 4.2.** An appropriate workforce is vital to every employer in SLO County.

Thank you for your update of this element and consideration of our comments.

Sincerely,


Claire Wineman
Vice President

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Tuesday, June 12, 2012

San Luis Obispo County Planning and Building Department
Attention Dana Lilley, Economic Element Project Manager
976 Osos Street
Room 200
San Luis Obispo, CA 93408

Dear Dana Lilley:

The Home Builders Association appreciates having a chance to review the Public Review Draft Economic Element.

While this is an improvement of the initial draft, we remain disappointed. This draft still seems more like another in a long list of recent San Luis Obispo County policy documents that focus on environmental and resource protection, including the Strategic Growth Principles added to the county General Plan, Conservation and Open Space Element, Climate Action Plan and others. There seems little progressive thinking about how to spur economic development.

The draft pays little mind to housing's role in economic development, as if jobs and economic growth can occur without also creating more housing for new workers to go to after a work day. Residential growth seems to be treated like a dirty word that the draft tries to avoid using. People moving here for jobs and their children will increase the need for more housing. Ignoring reality won't change it.

In addition, we have noticed in our past comments, the county responds more to questions than observations and information requests. That is a mistake. Not all commentary can be rendered as a question. Please respond to all types of comments.

Following are our specific comments on the report, questions, and information requests:

1. Page 1-1, first paragraph – The draft begins by ignoring housing's role in "economic vitality." The first sentence states: "Economic vitality is critical to sustaining a vital community and high quality of life, driving a dynamic cycle that produces revenues for public services and amenities, jobs for residents, and projects and services for the local population." It also includes housing to meet the needs of job holders.
2. Page 1-1 bullets under paragraph two – The same hitch as Point 1 above. Bullets reference "identifying strategies for retaining existing businesses and attracting new ones" and "expanding diverse employment opportunities for current and future workers," but ignores housing to serve future economic growth.
3. Page 1-4, Goal EE 1 – The goal states: "Promote a strong and viable local economy by pursuing policies that balance (the) economic, environmental and social needs of the county." While we support meeting all three needs, the county has General Plan elements and land use policies that focus on environmental and social needs. This element is "the one" that should highlight economic development. In this three-legged stool, economic growth remains the weak sister in county planning. This draft will continue to consign economic development to its inferior status. Where is the balance? How will it be created and maintained?
4. Page 1-4, Goal EE 3 – This goal states that "Economic development ... should be located in or near existing cities or unincorporated communities ... and areas approved as new urban reserves and villages in the county Land Use Element, to facilitate access to existing infrastructure and economic support systems as well as protect the natural environment of rural areas." This goal:
 - a. Repeats General Plan environmental goals from in the Conservation and Open Space Element and Framework for Planning;

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San Luis Obispo, California	805.546.0339: fax
93406-0748	www.hbacc.org: internet

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- b. Supports smart growth, not economic development; and
 - c. Perpetuates the myth the county repeatedly spreads that there are urban areas with the necessary infrastructure and the political will to accept additional economic and residential growth.
- 5. Page 2-2, Policy EE 1.2 – The brevity of the explanatory text after the goal is revealing. “While it is important to protect the environmental features that make San Luis Obispo County a desirable place to live, it equally important to nurture a strong local economy to provide well-paying jobs for county residents and *public revenue* to support *needed local public services* (italic emphasis added).” It is as important to create homes for those workers and to fund necessary infrastructure. It would be a good economic development goal to encourage more residential zoning in urban areas to make workforce housing more achievable. Are public revenues and services or economic development the goal of the Economic Element?
- 6. Page 2-2, Policy EE 1.3 – Here is the **fatal flaw** in the county’s land use, environmental and economic development policies, goals and efforts. The goal states: “Balance the capacity for growth with the efficient use or reuse of available resources (energy, land, water, and infrastructure).” This goal seems intended to stop or slow residential development. Stopping housing will not stop population growth or resource use.
 - a. While new residential construction has slowed significantly in the last half decade, county population growth has continued. The county normally houses 2.4 people per household. In the last five years, the county population growth rate (according to Beacon Economics) has been 5.8 people per new home built. That adds to the infrastructure and resource burden without generating impact fee revenue from new housing to serve that population increase.
 - b. The explanatory text says that “the amount of all types of potential new development envisioned in the Land Use Element should not exceed the amount of development that can be supported within the capacities of available resources, especially water.”
 - i. How does the county plan to stop children from being born, getting married, and wanting a home of their own or to prevent businesses from expanding?
- 7. Page 2-3, Policy EE 1.5 – This is very poorly thought out. There is nothing in this segment that recognizes or protects private property rights.
 - a. How do you imagine the three sub points will actually implement the policy?
 - i. How are my property rights protected if I must balance them with “efforts to plan for the community”? This means that the community has as much right to use my property as I do. How does that protect my property rights? Who determines what a balance is? How is that determination made? Who do I appeal to if the balance is imbalanced?
 - ii. How will the county define what is a taking and just compensation? If you won’t let me use my land the way I want in a way that makes financial sense but you make me develop what the community wants that doesn’t make financial sense, what is my compensation for undervaluing my land? Has the county ever awarded just compensation to any property owner without being sued first?
 - iii. How can my property rights be protected if individuals or groups who don’t live on or near my land have the same rights I do “to participate in planning and land use decisions”? How can giving everyone the same rights I have protect my property rights?
 - 1. How does giving everyone equal control of my land encourage economic development?
 - b. If you want to “Recognize and protect private property rights,” the county should guarantee:
 - i. Private property owners have the right to use their property for non-criminal enterprises;
 - ii. The right to use private property as it is zoned in the General Plan without needing a public hearing since the General Plan was approved after a public hearing; and
 - iii. Property owners the right to use their land in the same manner and density as neighboring property.
- 8. Page 2-3, Policy EE 1.7 – Why restrict economic impact analysis to “projects of regional significance”?
 - a. Who will determine what is regionally significant?
 - b. An economic element be should be concerned with the economic impacts of all developments on the community and impacts county policy has on economic development;
 - c. The explanatory text notes: “incurring the costs to produce this economic information may not be warranted in all cases.”
 - i. Who will determine when it is warranted?
 - ii. What standards will be used to make that determination?
 - iii. How will the county pay for obtaining that information or will it charge the applicant?

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9. Page 2-4, Policy EE 1.8 -- While we support reducing transportation impact fees for projects promoting alternate transportation, we want to know how the county plans to quantify this.
10. Page 2-6, Policy EE 3.1 -- We support development by right. If a project is consistent with the General Plan, why also require a master plan? Why not reward consistency with approval? Why have a General Plan if following it still means you must do an EIR, have numerous public hearings, and do more planning?
11. Page 2-7, Policy EE 3.2 -- This is another environmental smart growth policy shoehorned into an economic element. How does promoting smart growth stimulate economic development? Residential infill is more expensive to build, has small profit margins, and attracts a small market share.
 - a. The explanatory text shows that this is a social and environmental policy, not an economic stimulus policy, when it notes that a "pattern of compact urban development can provide *public benefits* through *minimized environmental impacts* and *increased health and social benefits* (italic emphasis added)." Is the purpose economic development or to provide public benefits and to increase health and social benefits?
12. Page 2-7, Policy EE 3.4 -- This policy seems nonsensical. Why would some one build a business or a home for sale in an area where shopping and purchasing power would be limited by high unemployment?
 - a. You are again confusing goals by pushing a social agenda instead of an economic development;
 - b. Does the county think lenders will be interested in investing in high unemployment areas?
 - c. The unemployment rate will likely change during the half-decade the public approval process frequently takes.
13. Page 2-10, Policy EE 3.8 -- The HBA supports this policy. We encourage the county to begin implementing it immediately, particularly if it wants to promote infill.
14. Page 2-12, Policy EE 4.4 -- The HBA supports infrastructure investment based on real world economics, including what housing types people want to invest in, not on implementing arbitrary county policies. If infrastructure investment is based on implementing General Plan policies that do not reflect realistic market analysis, the limited amount of money available for infrastructure will not be used cost-effectively.
15. Page 2-12, Policy EE 4.5 -- It is revealing how little this element mentions housing. Here we have all of 10 words about "housing opportunities."
 - a. Equally revealing is the lack of supporting bullet points and explanatory text. If the county wants housing to support economic development, it should:
 - i. Rezone land inside and adjacent to urban areas for more housing;
 - ii. Support development by right as noted and explained above;
 - iii. Guarantee residential densities in the General Plan; and
 - iv. Expand the revenue stream to support affordable housing so everyone contributes toward meeting this community value instead of placing the whole burden on new home builders and buyers.

It is our hope that the county will rewrite this document so it takes an approach that focuses on supporting economic development instead of making this just another hammer to force smart growth seemingly on everyone and every project. An Economic Element really should recognize and react to real world market forces.

Sincerely yours,



Jerry Bunin
Home Builders Association
Government Affairs Director
546-0418
jbunin@hbacc.org

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Planning & Building
976 Osos Street, Room 200
San Luis Obispo, CA 93408
Attn: Dana Lilley, Project Manager

June 15, 2012

RE: Economic Element Update

Dear Mr. Lilley:

The Paso Robles Wine Country Alliance is pleased to provide comments on the Draft Economic Element Update. We appreciate the efforts of the County and the Economic Vitality Corp in developing a public-private partnership to address economic strategies for the benefit of the San Luis Obispo communities. We respectfully submit the following comments for further thought and consideration as the Economic Element revisions move forward for adoption:

Chapter 1, page 1-3 side bar: In review of the EVC publication for the Clusters of Opportunity, we offer the proposed revised wording for the description of the Uniquely SLO Cluster:

To brand and promote the unique attributes of SLO County by way of wine, agriculture, recreation, accommodation, and other regional specialty products and services for tourism, increased local spending, and higher visibility in domestic and global markets.

Chapter 1, page 1-5 Goal EE 2: We suggest the following revised wording:

Economic development will be most beneficial to San Luis Obispo County through diversified industries and workers with a range of employment opportunities to avoid risks associated with business cycles.

Chapter 1, Goal EE 4: We appreciate the recognition that support for economic development goes beyond the designation of sites, but can more importantly come in the form of streamlined permit processing, access to financing, education, etc. To that end, we also suggest adding enhanced community awareness to the list of examples of support.

Chapter 2, page 2-1, Policy EE 1.1: The last statement in the definition for "sustainable economic vitality" focuses on attracting *highly* qualified and *talented* persons (*the "Creative Class"*). We question the validity of targeting a specific class as a metric for sustainable economic vitality. Likewise it seems to conflict with Goal EE2 that refers to the need for a diverse economy, rather than targeting a specific class of workers.

We suggest striking these references and simply refer to the importance of attracting "qualified and skilled persons". Likewise, we suggest adding back in former Policy 2c "create an economy that includes

**PASO ROBLES WINE COUNTRY ALLIANCE ADDRESS PO Box 324 Paso Robles, CA 93447 PHONE 805.239.8463
FAX 805.237.6439 WEB pasowine.com**

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June 15, 2012
Economic Element Update
Page 2 of 3

jobs all across the income spectrum". This is consistent with creating a diversity of business opportunities with a wide range of employment opportunities.

Additionally, a statement should be added to recognize the six clusters of opportunity identified in the EVC Economic Strategy. These clusters are the starting point for "sustainable economic vitality" specific to San Luis Obispo County. As such we suggest the following revisions beginning with the last sentence in the box under Policy EE 1.1:

Many factors combine to support such long term economic vitality and they include, but are not limited to, access to capital, a suitably trained workforce, housing for the workforce, infrastructure (water, sewer, transportation, etc.) and a diverse and ample collection of quality of life amenities that attract qualified and skilled persons. Sustainable economic vitality is achieved through an economy that includes jobs all across the income spectrum.

Through the efforts of the EVC in developing an Economic Strategy through Clusters of Opportunity, six clusters were identified to drive the "vital cycle" for economic prosperity. The Clusters were identified as follows: Building Design & Construction; Health Services; Knowledge and Innovation Services; Specialized Manufacturing, Green Energy; and Uniquely SLO (a combination of agriculture, wine, recreation, accommodation, restaurants, and other specialty products and experiences).

These clusters were responsible for ninety percent of the county's economic vitality since the 1990s. These clusters of opportunity, if innovative, competitive, and healthy can drive "sustainable economic vitality" in San Luis Obispo County. They generate jobs and wages for residents to buy products and services from local suppliers, thereby creating a positive ripple effect to create benefits for every community in the county. They generate tax revenues that pay for local public services and support the outstanding quality of life enjoyed by local residents.

Chapter 2, page 2-2, Policy EE 1.2: Please add the following:

While it is important to protect the environmental features (whether natural or working landscapes) that make SLO County a desirable place to live...

Chapter 2, page 2-2, Policy EE 1.4: We suggest re-wording the comment box to state:

Including economic and business organizations in regional collaboration on economic development goals, policies, and implementation will enable priorities of mutual interest to move forward.

We also suggest moving the comment in the side bar regarding the opportunity for broader participation into this comment box for Policy EE 1.4. Perhaps a photo of an EVC meeting with Supervisors Mecham and Hill can be put in the side bar in exchange?

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June 15, 2012
Economic Element Update
Page 3 of 3

Chapter 2, page 2-3 Policy EE 1.5: Although this language was taken from the current Economic Element, this update may be the opportunity to strengthen the language in this policy. However, we do not have any specific suggestions at this time.

Chapter 2, page 2-3 Policy EE 1.6: We suggest re-wording the comment box to state:

Having staff with training in key economic development concepts including but not limited to infrastructure funding and financing, business retention, expansion and attraction strategies will foster a culture among county personnel to pursue opportunities geared towards sustainable economic vitality.

Chapter 2, page 2-5 Policy EE 2.4: We suggest adding "working landscapes" to this policy statement, as follows:

Continue to develop a diverse, countywide tourist industry that relates to the historical, cultural, recreational, natural, and working landscape attractions of the County.

Chapter 2, page 2-7 Policy EE 3.2: We prefer the existing language found in Policy 3b. to the proposed language of Policy EE 3.2.

Additionally we question the science behind some of the statements in the comment box. For instance, is it true that compact urban development increases health and social benefits? Can it not also expose higher population densities to more vulnerability from epidemics or natural disasters?

Chapter 2, page 2-7 Policy EE 3.4: Likewise, we prefer the existing language found in Policy 3d to the proposed language in Policy EE 3.4.

Chapter 2, page 2-11 Policy EE 4.1: Consider re-wording to: "The County should continue to provide support to the nonprofit Economic Vitality Corp or other such groups that foster incentives to attract businesses"...

Chapter 2, page 2-12 Policy EE 4.3: A comment box should be added to reflect efforts of and increased coordination with Cal Poly and Cuesta College to provide job training needs and opportunities for county residents and students entering the workforce, particularly in the clusters of opportunity.

Chapter 2, Policy EE 4.5: A comment box should be added to continue to coordinate with all sectors in ensuring adequate housing or a guestworker program to provide a legalized immigrant worker program, particularly for the service and agricultural industries.

Finally, we suggest that the remaining policies that do not include a comment box should be given more consideration. The comment boxes are useful and helpful in identifying ideas and strategies for the implementation of the policy. Each policy should have a comment box.

We appreciate the opportunity to comment and hope our comments prove useful.

Sincerely,

A handwritten signature in cursive script that reads "Lisa M. Bodrogi".

Lisa M. Bodrogi
PRWCA Government Affairs Coordinator

3-79

Project Manager, *Economic Element*
Department of Planning and Building
976 Osos Street Rm. 200
San Luis Obispo, CA 93408
May 23, 2012

Dear Mr. Lilly,

The South County Advisory Council discussed the Economic Element Review at last Monday's monthly meeting, and a motion was made to submit the following brief comments in response to several sections:

Goals of the Economic Element

Goal EE 3: In the case of unincorporated communities, economic development should be located inside the urban reserve line.

Goals and Policies

Policy EE 1.3 : Capacities of all resources should be treated as equal.

Policy EE 1.4: Our County should consider working with adjacent Counties.

Policy EE 1.8: Remove. Commuting choices should not be dictated as individuals vary widely as to ability to use some commuting options.

Retain and Enhance a Diverse Economy

Policy EE 2.4: Tourism should not be catered to. The byproduct of tourism is more energy consumption, more greenhouse gas generation, more housing problem, more demand for public support for its service employees, more demand on police and fire control resources.

Provide for Strategically Located Opportunities for Economic Development

policy EE 3.6 Counterproductive (and wrong) to compete by lowering building and development standards **or** allowing environmental degradation **or** offering various tax incentives, which reduce County revenue and services.

By direction of the SCAC,

Istar Holliday, Corresponding Secretary

3-80



Economic Strategy - Economic Element Update

Carl Dudley to: Dana Lilley
Cc: 'Christine Rogers', 'Michael Manchak'

06/11/2012 07:48 AM

History: This message has been replied to and forwarded.

Good Morning Dana;

As you know I sit on the EVC Board of Directors. The Board was requested to review the proposed draft document, which I did.

I liked that this will become an official part of the County's mantra and the clusters concerns will be addressed whenever policy is renewed or updated.

However, I have do have a concern of keeping the momentum for the partnership between you (Government) and us (private sector) going. I hope we all will continue to strengthen the relationship that has been built and, more important, expand the trust between us.

Thank you for your efforts on this project.

CD

Carl Dudley
Senior Vice President / Business Development Officer



Our Mission is Your Success

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3-81



Economic Element - Agriculture

Lisen Bonnier to: dlilley

06/07/2012 10:40 PM

History:

This message has been replied to.

Dana

I was reading the Economic Element, specifically the section Policy EE 2.3 that has to do with the Agricultural part of the Economic Cluster opportunities. I am very much in support of the re-write that COLAB and Farm Bureau did from the original document, never the less, I think it is missing vocabulary that is supporting Agricultural at large. After all, agriculture is the economic engine, but reading the paragraph, the emphasis seems to be on the non-agricultural activities. I believe just adding some very simple language could remedies this issue.

Policy EE 2.3

Enable agriculture to remain economically viable by sustaining agricultural resources and by continuing to allow non-agricultural activities and uses in rural areas where supportive of agricultural uses, avoiding land use conflicts and consistent with the General Plan.

Protection of agricultural resources, such as soil and water, is fundamental to agricultural economic viability. Where an agricultural use does not by itself generate adequate income to support the landowner, supplemental small business activities that occupy a small portion of the site may help preserve a farm or a ranch. Existing County plans, policies and ordinances allow such supplemental business activities, but limit their type and scale so that they do not diminish their site's agricultural potential or results in considerable land use conflicts with nearby agricultural activities.

Thank you for taking this into consideration, and THANK YOU for all the great work your department do.

smiles, Lisen
ALAB District 2

3-82



RRM Design Group
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San Luis Obispo, CA 93401
P: (805) 543-1794
F: (805) 543-4609
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June 25, 2012

Transmitted via Email: dlilley@co.slo.ca.us

Dana Lilley, Supervising Planner
County of San Luis Obispo
Planning and Building Department
976 Osos Street
San Luis Obispo, CA 93408

Re: Economic Element Comments

Dear Dana,

We have reviewed the draft Economic Element and have the following comments:

Goal EE 4 – need to mention infrastructure as necessary support

Policy EE 1.1

- Add an adjective in front of housing to indicate that the goal is “an adequate available supply of the housing types desired by the work force and affordable for them.”
- Delete “the “Creative Class” or else define it clearly and be certain that this is not detrimental or prejudicial with regard to other “classes” – construction workers, service workers, manufacturing workers, etc.

Policy EE 1.2

- If the goal is enhancing the quality of life for County residents - What Economic Development Activities will be pursued? Is there any specific vision or direction for an activity or activities to pursue? Will we pursue just anything? Will we prioritize pursuit the six sectors identified by the EVC? The explanation statement is too vague to be meaningful in terms of what actions to take, directions to set or priorities to follow.

Policy EE 1.3

- Should the General Plan for the County (our vision for the long-term future) be limited solely to what may be accomplished by reliance solely upon “available” resources? The use of the word “available” implies availability at the present time (see comment below).
- Why is this Policy silent on the notion of acquiring additional resources? In the past the County has had the foresight to acquire additional available resources such as Nacimiento Water and State Water well before the need was present. Today we depend heavily upon those resources acquired through the wisdom of County leaders. Add “and where necessary through acquisition of available additional resources.”

Policy EE 1.6

- Perhaps rather than using solely County employed staff another more creative solution may be available by sharing staff resources with an existing or future Economic Development agency (agencies) such as the EVC, Chambers of Commerce, Tourism Board, and/or University.

COMMUNITY | CIVIC & PUBLIC SAFETY | RECREATION | URBAN
ARCHITECTS | ENGINEERS | LANDSCAPE ARCHITECTS | PLANNERS | SURVEYORS
A California Corporation | Victor Montgomery, Architect #C11090 | Jerry Michael, PE #36895, LS #5276 | Jeff Farber, LA #2844

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Dana Lilley
June 25, 2012
Page 2



Policy EE 1.7

- Presumably this Policy applies to the “plans, policies and projects” of the County and other government agencies as well as to private projects.
- How will this policy be applied to projects proposed (or opposed) by County Service Districts (CSDs)? In our County, significant portions of the provision of infrastructure and thereby the ability to implement planning direction are controlled by these agencies. The direction from CSDs (or lack thereof) can support, thwart and/or derail County Planning direction. This is certainly true in large unincorporated portions of the County such as Nipomo where strategic growth is targeted by the County but may be misunderstood and/or opposed by residents and the CSD board(s).

Policy EE 1.8

- This policy is silent on a crucial strategic element of providing more opportunities to minimize worker and employer vehicle trips. The key missing strategy is to provide an adequate supply of available, readily developable commercial land with adequate infrastructure available in close proximity to land designated for development of housing sufficient to meet the needs of the identified commercial development areas.

Policy EE 2.2

- Delete the word “existing”. This inhibits creative, strategic and visionary forward thinking about the future of our communities and the Economy of our County. Existing plans, policies and ordinances are often the problem (or a portion of the problem or contributors to the problem) encountered in implementation of the Economic Strategy.

Policy EE 2.3

- Interestingly and ironically, in light of the language of this goal, the County is in the process of dismantling an award winning, creative County Policy that has resulted in significant increases in Ag productivity and concurrent preservation of Open Space, the Ag Cluster Ordinance. The County should rethink its recent direction on the revisions to the Ag Cluster ordinance.

Policy EE 3.1

- Add “existing and/or newly designated” before the word residential in the policy discussion. We concur with the intent of this policy to encourage “pre-plan” these areas including land use and infrastructure planning. Good job!

Policy EE 3.2

- Add “and Urban expansion” between the words “urban” and “can” in the discussion box.

Policy EE 3.3

- This Policy and the discussion thereof should be expanded to include the necessity for both land use planning and infrastructure planning. This policy should also include encouraging the concurrent planning and coordination of development of CSD and County Capital Improvement Plans for infrastructure, including the potential to look for potential joint funding or grant application opportunities and the ability to leverage the County, City and CSD capital capacities and financing mechanisms.

3-84

Dana Lilley
June 25, 2012
Page 3



Policy EE 3.6

- We have suggested for several years that readily available locations for businesses to locate should be highlighted on the County/Planning department web site. With the County GIS system this should be relatively simple to do. It could be a map by community showing vacant sites, with existing commercial/industrial zoning, environmental review completed, etc. An example of this is the Business Park located at The Woodlands. Business owners often want to do this type of research but do not know how to navigate the County GP and Development Ordinances.

Policy EE 3.8

- This policy should acknowledge the need to coordinate early in the GP update process with CSDs and to develop coordinated infrastructure programs to encourage fulfillment the County's Vision as expressed in the County GP. If the County wants CSDs, or Cities to accept growth the County will need to consider how services and infrastructure are funded and may need to contribute to CSD/City service and infrastructure funding. This is particularly true for annexations to Cities. The current tax sharing agreement between the Cities and County is a strong *disincentive* to accept additional growth because the City is expected to provide all of the infrastructure and services for the annexation but only get 34% of the tax revenue from the annexed area.

Policy EE 4.4

- This policy language (not just the discussion) should be revised to specifically address the need for better communication and coordination between the CSDs and the County in preparation and integration of Capital Improvement Plans. A "comprehensive capital improvement plan" cannot be achieved without this cooperation and integration. Absent strong cooperation and an integrated approach County Strategic growth Plans may be frustrated by "local" CSD decisions that fail to plan the needed infrastructure.

Policy EE 4.5

- The first step in providing housing opportunities is to provide sufficient land designated for residential use and concurrently plan to provide adequate infrastructure to serve the identified land. The Economic and Housing Elements have identified the need for additional land designated for residential use for at least a decade with no significant action taken by the County to address the issue and provide more land appropriately designated.

Policy EE 4.6

- See our comments about Policy 3.8 regarding the existing City/County tax sharing agreement.

Dana, thank you for giving us the opportunity to submit our comments. You may contact me at 805-543-1794 if you have questions about these comments.

Sincerely,

RRM DESIGN GROUP

Victor Montgomery, AIA
Principal
CA License No. C11090

oca\A\DELLO\planning\STAFF\Victor Montgomery\Admin\vm-Draft Econ Element comments.doc